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JPRS-CRF-86-004

13 February 1986

# China Report

RED FLAG

No. 1, 1 January 1986

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13 February 1986

## CHINA REPORT RED FLAG

No. 1, 1 January 1986

Translation of the semimonthly theoretical journal of the Central Committee of the Communist Party of China published in Beijing.

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## WHAT IS THE KEY TO RECTIFYING UNHEALTHY TRENDS?

Beijing RED FLAG in Chinese No 1, 1 Jan 86 p 2

["Forum"]

[Text] The central guiding ideology and principles for checking unhealthy trends are quite clear and there is no need to clarify any viewpoints theoretically or to formulate any other principles. The crux of the problem is that leadership at different levels should conscientiously grasp the matter.

Unhealthy trends discredit reform and harm the socialist cause. In resolving the problem, leaders at various levels should on no account take a bureaucratic attitude. It is futile to make only general appeals and talk a lot about principles. They should work in a down-to-earth manner. First, they must conduct on-the-spot investigation, try to find out about the whole situation, heed opinions from among the masses, and treat seriously the letters the people send in and the complaints they make when they call. Only by so doing can they discover those major problems that they cannot find at meetings or from written reports and debriefings. Otherwise, they can hardly avoid the situation in which "a single leaf before the eyes blocks out the view of a mountain," and they cannot see the woods for the trees. Second, they should first resolutely deal with the major problems that people have a lot of complaints about, and should not use dilatory tactics on the excuse of "making detailed studies" of these problems. They should be bold at tackling tough problems and provoking some people and things that "others cannot afford to offend." They should both "brush the flies off" and "beat down tigers." In applying the law and discipline, they must treat those "who wear straw hats" and those "who wear black gauze caps" equally without discrimination. If we seek personal favor at the expense of principles and if we believe that "things can be done easily if one is more concerned with stopping the bickering than settling the issue," then there will unavoidably be more unhealthy practices. So far the results of checking unhealthy trends are by no means satisfactory. Some unsound practices that the party Central Committee has repeatedly instructed be checked remain unchecked and, what is more, have become more and more serious under the new situation. This is mainly due to the existence of serious bureaucratic ways of doing things in some of our party and government organs. They talk much but do little and do not pay close attention to addressing the problem.

Bureaucracy shields and encourages unhealthy practices, whereas unhealthy practices make use of bureaucracy. Bureaucracy itself is a kind of serious malpractice. Leaders at various levels should first and foremost get rid of bureaucratic ways of doing things. To set up an organ at a given level and employ a number of cadres is to achieve the aim of getting things done well. This is the first law under heaven. If the organ does not perform actual duties and these cadres only indulge in idle talk, then what is the use of them? As in economic work, the responsibility system should also be established in the building of a socialist civilization which is culturally and ideologically advanced, as well as in stemming unhealthy practices. Leaders at various levels must take the responsibility for checking unhealthy trends within the scope of their work. They should know what is what, adopt concrete methods and effective measures and achieve real results. Leaders at all levels or in all departments and areas must be held responsible for serious unhealthy practices if they are not checked. In the past we only criticized and educated those who had committed mistakes due to bureaucratic ways of doing things. But this method is not very useful because some people are not afraid of being labeled as bureaucrats. Bureaucratism is dereliction of duty. Those who commit serious mistakes due to bureaucratic ways of doing things must be dealt with according to party discipline and state laws. This can serve as a warning to others.

The central leading comrades have time and again pointed out that leaders at various levels, in particular those at the central, provincial, and city levels, must pay close attention to stemming unhealthy practices. This should start first from the central state organs and Beijing municipality. The central state organs are not qualified to speak on this question of checking malpractices unless they take the lead and achieve successes. If malpractices cannot be checked in the central state organs and departments at the provincial and city levels, it will be difficult to solve the problem in the grass-roots units because on the one hand, they do not have a say in this matter; on the other hand, the grass-roots units may refuse to comply with instructions from the higher authorities. The general office of the CPC Central Committee and of the State Council recently issued a circular, calling for dealing with some serious problems prevailing in office work. Party and government offices at various levels should, therefore, measure themselves against the circular in earnest, examine their attitude toward the problem of checking malpractice, and work hard to solve their own problems. Besides the central state organs, leading bodies at all other levels should also pay special attention and spare no effort to solve the problem. Only thus will we be able to check all serious unhealthy practices.

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CSO: 4004/31

## OPENING UP, INVIGORATING THE ECONOMY, AND ADHERING TO SOCIALISM

Beijing RED FLAG in Chinese No 1, 1 Jan 86 pp 3-7

[Article by RED FLAG Editorial Department]

[Text] A new year has just started. It will be a year for us to achieve greater successes in the building of socialist modernization.

Since the 3d Plenary Session of the 11th CPC Central Committee, China has developed in a relatively fast and healthy manner. The political situation is characterized by stability and unity, the economy has embarked on the track of steady and coordinated development, and the people's living standard has improved to varying degrees. The current reforms are gaining momentum. Impelled by the reforms, all fronts are bursting with vitality and seething with enthusiasm. All this shows that the party's line, principles, and policies formulated since the 3d Plenary Session of the 11th CPC Central Committee are correct and enjoy popular support because they conform to the interests of the state and people. Naturally we still have to face many problems on the road of advance. So long as the whole party unites as one and firmly relies on the masses, all difficulties and problems can be readily solved.

Our current policies and methods are formulated and adopted on the basis of correcting things. These are vastly different from the "leftist" policies and methods that prevailed in the past. As we could not find a solution to some of them in the works of Marx and Lenin, we proceeded from China's actual circumstances and made a further development of Marxism and Leninism. Regarding the ongoing reforms, the people at home and abroad have made comments of one kind or the other. The focus of the comments is whether our practice will lead to capitalism. There are the following two views: First, the current reforms will force China to give up socialism; and second, China has not and will never give up socialism. We hold that the latter is practical and farsighted.

The 3d Plenary Session of the 11th CPC Central Committee has decided to shift the focus of our work onto the building of socialist modernization and to carry out reforms, and has formulated a series of new principles and policies. Politically, we have emphasized democracy and the legal system. Economically, we have implemented the policy of opening up to the outside

world and invigorating the domestic economy. Meanwhile, we have laid stress on the following principles: adhere to socialism, adhere to the people's democratic dictatorship, adhere to party leadership, and adhere to Marxism-Leninism-Mao Zedong Thought. These principles, included in the party constitution and national constitution, are our general principles. Adherence to the four basic principles is the basis of all the internal and external policies formulated by our party and state. The policy of opening up to the outside world and invigorating the domestic economy was formulated on the basis of adhering to the four basic principles. The purpose was to develop the productive forces and build distinctive Chinese-type socialism that conforms to our national conditions.

To adhere to socialism, we must first understand what socialism is and how we should adhere to socialism. According to the principles of Marxism and Leninism, we must first establish a socialist system, and second, we must develop the social productive forces based on the socialist system, gradually improve the material and cultural lives of all the people, manifest the superiority of the socialist system over the capitalist system, and ultimately realize communism. Therefore, the fundamental task concerning adherence to socialism is to develop the social productive forces. Lenin said that the development of human society is determined by material forces, namely, the development of the productive forces. This is also true to the development of socialist society. Without the development of social productive forces, it would be impossible to consolidate and develop the socialist system and to realize communism--our lofty ideal and final goal. Communism is a society where the exploiting system is abolished and where the distribution principle "from each according to his ability, to each according to his needs" is implemented. In order to attain this goal, we must enormously develop the social productive forces and have abundant material goods and a high level of science and education. This should be gradually realized through a fairly long period of socialism, which is the first stage of communism. Although we have various tasks at the socialist stage, the fundamental one is to develop the social productive forces.

The rapid development of the social productive forces is particularly significant for China. The result of correct party leadership, protracted efforts of the people of the whole nation, and special historical conditions of China, as an economically and culturally backward country in the East, was a switch to a socialist society in the 1950's. We should be proud of this. Moreover, we are faced with the arduous and important task of developing the social productive forces following the establishment of the socialist system. After the founding of the PRC, we carried out land reform, conducted socialist transformation of the private ownership of the means of production in the economic field, and set up a socialist economic foundation. That was a great revolution which promoted the development of the productive forces. Because we did not have a clear understanding of socialism, we neglected the development of the social productive forces for a fairly long period of time and implemented a series of erroneous policies. Consequently, our national economy was at a standstill when the "Great Cultural Revolution" came to an end. In order to develop the social productive forces, we must set things to rights, shift the focus of our work, and carry out a series of structural

reforms. The purpose of reforms, similar in nature to the revolution during the initial postliberation period, is to remove the obstacles to the development of the productive forces and extricate ourselves from poverty and backwardness. It can be regarded as a revolutionary change in this sense. If we fail to develop the economy and improve the people's living standard, then how can we manifest the superiority of socialism? We have implemented the policy of opening up to the outside world and invigorating the domestic economy for the sake of developing the social productive forces. This shows that we have fundamentally adhered to socialism.

Does the road we are currently taking go against socialist principles? No. The modernization program we are carrying out is a socialist modernization program and not modernization of any other type. The policy of opening up to the outside world and invigorating the domestic economy is adopted for developing the socialist economy and is also implemented from beginning to end under the principles of the predominance of public ownership and common prosperity.

Our socialist economy is an economy based on public ownership. Adhering to the predominance of public ownership means fundamentally adhering to the socialist economic system. Public ownership includes ownership by the whole people and collective ownership. Over the past 30 years or so since the founding of the PRC, our socialist economy has been established on a solid foundation in industrial, agricultural, commercial, and other fields. Public ownership now accounts for over 90 percent of China's economy as a whole.

On this basis, our efforts to permit and encourage the development of the individual economy, to attract foreign businessmen to run joint ventures, do business in cooperation, or run enterprises with exclusively foreign investment, and to assimilate advanced foreign technology and management will benefit and complement the development of the socialist economy. The policy of opening up and invigorating the domestic economy is advantageous to the development of the socialist economy and has invigorated socialist production and the market. It has not harmed the nature of the socialist system or affected the predominance of public ownership. On the contrary, it is advantageous to the consolidation and development of public ownership.

Joint venture is an example: Foreign capital and our socialist public ownership each account for 50 percent of the investment, so we have developed 50 percent of the socialist economy. When the joint venture goes into operation, 50 percent of the income goes to our socialism. In addition, the state can get a certain amount of tax income. It is the state and people that enjoy the greatest share. Furthermore, we can draw management experience and master advanced technology from the joint ventures, which can be used to develop the socialist economy. This is also the case in enterprises run with exclusively foreign investment. Besides obtaining tax income, we can learn from their advanced technology and management experience. In carrying out the modernization program, we lack funds as well as experience and knowledge. As mass production and the commodity economy have certain laws in common, we should, in connection with China's actual reality, draw on and assimilate the scientific management methods of all countries, including the capitalist countries, so as to serve the development of China's socialist economy. However, the methods of the capitalist world should be

applied on the premise of adhering to the socialist system. We will never introduce the economic system and political system of capitalism or practice the capitalist market economy or follow capitalist values and way of life. The establishment of the special economic zones and the opening up of the 14 coastal cities to the outside world do not mean that the capitalist system will be instituted in these special zones and coastal cities. In fact, the socialist system is still being practiced in these places.

Some comrades are worried about the predominance of public ownership in the future and whether or not the nature of China's economy will be switched to capitalism. Such worries are unnecessary. To be sure, opening up to the outside world is a long-term national policy rather than a temporary one. Our current principle is to "open" and not to "restrict." In the days to come we will open up wider to the outside world. It is an inevitable objective demand of the economic development to expand economic relations with other countries and learn from others' strong points to offset our weaknesses. Such a demand is earnest particularly at the time when science and technology are developing rapidly with each passing day. As regards China, the contradiction between construction needs on the one hand and lack of funds and know-how and backward technology on the other hand will exist for a long time to come. At present, foreign investment in China is still limited. Therefore, we must persist in opening up to the outside world, welcome international capital cooperation, and introduce advanced foreign technology, including the use of foreign intellectual resources. Following the quadrupling of the industrial and agricultural output value by the end of the century, China's economy will develop by leaps and bounds and its relations with other countries will be further strengthened. Still, such development will be development of the socialist economy because we have unwaveringly adhered to socialism and the predominance of public ownership. With the development of a few decades, the economic basis of China's socialism will be further consolidated by the end of the century or early part of the next century. Then the policy of opening up will no longer affect our socialist system.

Will the policy of opening up to the outside world and invigorating the domestic economy lead to polarization? The principle of socialism is common prosperity and not polarization between the exploiters and the exploited. This is the hallmark that differentiates socialism from capitalism. If polarization arises, it will mean failure of the new policy. While formulating the policy of opening up to the outside world and invigorating the domestic economy, our party was quite definite in this respect. Moreover, our party repeatedly reminded the cadres at all levels to pay attention to this point while implementing the policy. Comrade Deng Xiaoping pointed out at the 3d Plenary Session of the 11th CPC Central Committee: "We must allow some regions, enterprises, workers, and peasants to get better off first through diligent work." Practice over the past 7 years has proved that this is a good policy. It has produced marked results first in the rural areas. By smashing the "big public pot," we aroused the initiative of the broad masses of peasants for production. Consequently, the rural economy developed rapidly, the living standard of 90 percent of the peasants improved, and the rural areas took on a new look. These are the major changes that have taken

place recently in China. In the rural areas, the fact that some regions and peasants got better off first did not lead to polarization. On the contrary, it helped and brought along other regions and peasants. Although the question of feeding and clothing dozens of millions of people in the rural areas has not yet been thoroughly solved, the situation is much better than in the past. If most of the localities throughout the country are developed, it will enable the state to do more to help the poor localities. Those that have become better off first can give capital aid and transfer technology to the poor regions to help the people there exploit local resources and develop commodity production.

Naturally, there are indeed wide gaps in income and living standards among different regions and people owing to the major differences in natural, economic, and cultural conditions and to the uneven development caused by historical conditions. These gaps have been further widened with the development of the commodity economy. How should we view such gaps? First, they are inevitable in the course of development of the commodity economy and are not a bad thing. Generally speaking, they indicate the development of production and circulation and an increase in social wealth and people's income, although there is still a gap regarding such an increase. Second, as we have adhered to the fundamental principle of the predominance of public ownership and common prosperity, our policy will not encourage or widen the gap between the rich and the poor. We have encouraged the regions that have become better off first to help those that are still backward. Meanwhile, we have also made necessary readjustments such as levying income taxes on the people who have become well off first. Third, the gap between the rich and the poor is in essence a gap between those who have become well off to varying degrees and the gap between those who have extricated themselves earlier or later from poverty, rather than polarization. In the development of capitalism, however, a handful of people become capitalists by amassing wealth and the means of production, while the majority of people go bankrupt and are turned into laborers.

Why do we say that polarization has not and will never take place in China? It is mainly because of the following: Viewed from the situation as a whole, we have adhered to the predominance of public ownership; and viewed from the whole society, we have implemented the principle of distribution according to work. Marx said: The relations and methods of distribution are manifested on the reverse side of the production factors. The structure of distribution is totally determined by the production setup. ("Collected Works of Marx and Engels," Vol 12, p 745) The distribution structure of the socialist society is determined by the structure of the ownership of the means of production. As we adhere to the predominance of public ownership, the distribution of social wealth should be: First to the state and then to the people. The state draws a portion from the national income, while the greater portion goes to the people and is used to improve their material and cultural lives. The portion drawn by the state is also used for the people and to develop the economy, education, science, and national defense. Therefore, each step forward taken in the social economy will benefit all the people and universally improve their living standards. If we follow the current policies, it will enable some people to get better off first, but will not give rise

to a new bourgeoisie. We often say that our average per capita income should reach U.S.\$800 by the end of the century so that the people of the whole country will be at a fairly well-off level. This shows that we adhere to the principle of common prosperity. If we follow the method of capitalist distribution, even if the GNP reaches U.S.\$1,000 billion, it will enable only less than 1 percent of the people to become better off while keeping over 90 percent of the people in poverty. Although an average per capita income of U.S.\$800 is relatively low, it will enable the people of the whole country to reach a fairly well-off level. Herein lies the truth of why we should adhere to socialism.

It must be pointed out that in answering the question of whether opening up to the outside world and invigorating the domestic economy will undermine socialism and lead to capitalism, we should not neglect an important factor--the role of the socialist state apparatus. Marxism teaches us: In the final analysis, the superstructure is determined by the economic basis. When the superstructure comes into being, it will become a mighty force to promote the development of the economic basis. Our socialist state apparatus is powerful. It is capable of protecting the socialist economic system as well as ensuring the predominance of public ownership in the economy as a whole. If our economic development deviates from the socialist orientation or if the predominance of public ownership is undermined, the state apparatus will intervene in the matter and straighten things out by adopting legal, administrative, and economic means. This is also the reason why we have repeatedly emphasized adherence to the four basic principles while implementing the policy of opening up to the outside world and invigorating the domestic economy. The four basic principles form inseparable whole. In order to adhere to the socialist road, we must adhere to party leadership, the people's democratic dictatorship, and Marxism-Leninism-Mao Zedong Thought. While making the policy of opening up to the outside world, the 3d Plenary Session of the 11th CPC Central Committee also called for a curb on the trend of bourgeois liberalization. This is an interrelated matter. In order to carry out the modernization program and implement the policy of opening up to the outside world, we must not allow bourgeois liberalization to spread unchecked. Toleration of bourgeois liberalization in our country means taking the capitalist road. If that is the case, our internal society will be in great disorder, our socialist cause will be undermined, and it will be impossible for the country to unite as one. Regarding this matter of principle, we must be sober-minded and adopt a correct attitude at all times.

Owing to the negative and decadent practices that emerged at the same time as the economy rapidly developed in recent years, some comrades took a skeptical attitude toward the policy of opening up to the outside world and invigorating the domestic economy and feared that it would cast away our traditions and superiority. Such worries are understandable. For this reason, our party has repeatedly stressed the building of socialist spiritual civilization while implementing the policy of opening up to the outside world and invigorating the domestic economy. The report to the 12th CPC National Congress systematically expounded the position, role, principles, and measures concerning the building of socialist spiritual civilization. The National Conference of Party Delegates held recently also particularly emphasized the

matter. This is extremely urgent and important for ensuring the correct direction and smooth development of our reform and modernization program. We must seek unity of thought, pay great attention to work in this field, and use facts to free the comrades' mind of apprehensions. Regarding this matter, on the one hand we must be aware that there are complicated reasons for the existence of these negative practices which cannot be eliminated within a short time. We must make sustained efforts and gradually solve the question by strengthening education and perfecting reforms and the legal system. We must use the methods of education and the legal system to eliminate the negative practices. On the other hand, we must have confidence and believe that our party, state, and people are capable of gradually eliminating the dark aspects in society and within the party. With the development of construction and reform, the elevating of the scientific, cultural, and educational level, the building of socialist spiritual civilization, and deep-going education in "four haves" (lofty ideals, moral integrity, better education, a sense of discipline), the negative practices will be reduced to a minimum. Although the ultimate elimination of the negative practices is a long-term job, it is absolutely possible to reduce them to the minimum within a short period of time. This has not yet been accomplished because we have not done a good job of the building of spiritual civilization. Naturally, it is not easy to do the job well. It can be accomplished only by strengthening the party's ideological and political work and making painstaking efforts in a down-to-earth manner. In the current building of spiritual civilization, we must first effect a fundamental turn for the better in party style and general social mood. The key to straightening out the general social mood lies in straightening out party work style. All our party members, leading cadres at all levels in particular, should set an example, conscientiously resist the corruption of bourgeois ideas, and eradicate the bureaucratic work style of giving too much verbal direction and not setting an example. We must adopt effective measures to conduct education in "four haves" among the people, particularly young people, and oppose the idea of "putting money above everything else." All spiritual products should put social effects in first place. Meanwhile, we must use legal weapons to sternly attack the economic and criminal offenses. We must stick to this until satisfactory results are achieved.

Those who doubt the correctness of our policy because of the negative practices that have appeared in the course of opening up to the outside world and invigorating the domestic economy, because it does not tally with the facts. [as published] Moreover, the negative factors caused by opening up to the outside world and invigorating the domestic economy are far inferior to the positive results achieved in accelerating the development of the economy. Although we have to take some risks, they can be overcome. It is apparently wrong to negate the reforms by just looking at the dark side. The only way out for China is to adhere to reforms and the policy of opening up to the outside world and invigorating the domestic economy. Retrogression will lead us nowhere.

The stress laid on adherence to the four basic principles, the building of socialist spiritual civilization, and solution of the problems arising from the implementation of the policy of opening up to the outside world and

invigorating the domestic economy does not in the slightest degree mean that we intend to "restrict." On the contrary, it ensures the development of our policy toward a correct direction and in a smooth and healthy manner. Some people at home and abroad doubt the continuity of our policy and fear that our policy will change. Comrade Deng Xiaoping and other leading comrades of the CPC Central Committee have firmly answered this question on many occasions. Our policies will continue and remain unchanged because they are correct. They reflect the interests of the people and accord with popular feelings. The people will never allow a change in these policies. If the living standard of over 90 percent of the peasants is affected due to a change in current rural policies, will the peasants accept the fact? The policies of opening up to the outside world and invigorating the domestic economy and reform of the economic structure with the focus on urban economy will remain unchanged because they enjoy popular support. The succession of new cadres for old ones in accordance with the principle of making the ranks of cadres more revolutionary, younger in average age, better educated, and more professionally competent is effected precisely to ensure the continuity of our policies. Naturally we must continue to explore the steps, plans, and measures of reform and perfect the specific policies in practice. If a change is necessary, it will only be a change for the better. Therefore, we should not regard the efforts made to explore and perfect the specific measures and policies as a change of basic policies. We will never change our basic policies for the sake of various changes we are facing. The basic policy of opening up to the outside world and invigorating the domestic economy and the orientation of reform will never change. Instead of wavering or effecting a change, we will unswervingly adhere to the four basic principles, which is the foundation of our internal and external policies, throughout the period of socialism.

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CSO: 4004/31

USING ONE'S RETREAT TO PROMOTE THE ADVANCE OF THE PARTY'S CAUSE--LEARNING THE REVOLUTIONARY STYLE OF COMRADE YE JIANYING

Beijing RED FLAG in Chinese No 1, 1 Jan 86 pp 8-13

[Article by Fan Shuo [5400 4311] and Ding Jiaqi [0002 1367 3825]]

[Text] At the National Conference of Party Delegates held recently, a number of elderly comrades including Comrades Ye Jianying and Huang Kecheng, and others initiative requested retreat from the three commissions of the CPC Central Committee in order that many superior cadres who are both virtuous and talented and who are young and vigorous may take up leadership posts of the central government and thus further realize the replacement and cooperation between the new and old constituent members of the central leadership organs. This has received high praise from Comrade Deng Xiaoping. Comrade Deng pointed out: "A number of elderly comrades have taken practical steps to lead in the abolition of the system of lifelong jobs in leadership circles, thus promoting the reform of the cadre system. This episode is well worthwhile special and outstanding recording in the party's history." This momentous event of a strategic nature is indeed an innovation in the history of our party and also represents an important theoretical and practical problem of Marxism relative to the party's construction. How a Communist Party member and revolutionary cadre should properly treat the advance and retreat in his post, particularly a retreat of his own initiative so as to make way for the virtuous and talented requires the guidance of Marxist theory and also requires the proletariat's world outlook and staunch party character. In this connection, Comrade Ye Jianying has made many important discourses in theory which are well worth our serious learning and understanding. In actual practice he has manifested a superb ideological achievement and a stature of being upright and open-hearted. This all the more deserves our whole party to take as model.

I

Comrade Ye Jianying is well worth being considered as our party's elderly revolutionist, of noble character and high prestige. Throughout the past half century and more, he has engaged in tireless struggles for the revolution and construction enterprises of the Chinese people, performed highly meritorious services and made important contributions. Today, for the sake of meeting the needs of the new situation and tasks of the four modernizations program, in initiatively vacating his posts to make way for the

talented and virtuous and making a glorious retreat, he has made new contributions to the party's enterprise. This exemplary action on the part of Comrade Ye Jianying has by no means been accidental. As early as in the 1950's and the 1960's, as a statesman and military strategist possessing strategic vision in our party, based on the spirit of the directive of the party Central Committee and Comrade Mao Zedong pertaining to the training up of successors to the revolution, he already openly advocated that a portion of the elderly comrades in the army who were advanced in age and weak in physique should initiatively vacate their posts to make way for the talented and thus establish the ideology of "using one's retreat to benefit the advance of the revolution." (Footnote 1) ("Talk at the Assembly of the Academy of Military Sciences," 28 September 1964) In the early 1970's, following the crushing of Lin Biao's revolutionary clique, Comrade Ye Jianying himself was in charge of the heavy burden of the state and was especially concerned with the problem in this connection. Many times he called meetings of responsible comrades of the Organization Department of the Central Committee, General Office of the State Council, General Office of Political Cadres, and the Academy of Military Sciences to specially study the problem of making arrangements for elderly cadres and the problem of retirement of cadres. He personally brought up questions, studied materials, listened to reports, worked with everybody to study the system of "acquiring the status of officialdom" of officials of China's dynasties and also studied and learned from the retirement systems of military officers and public servants of the capitalist countries such as Britain and the United States. After asking preparation of special topic materials from the three sources of the party, the government and the armed forces, he sought the views of professors of history in institutions of learning in the localities as well as specialists, following which he personally made a report to the party Central Committee. Following entry into the 1980's, the new situation and tasks of the four modernizations program increasingly and urgently demanded the cadre ranks to become revolutionized, be younger in average age, to be more knowledgeable and specialized, and to break the system of lifelong jobs that virtually existed in the system of cadres. This led to demanding a number of elderly comrades to retreat from their leadership posts as a gesture of high regard for the party's cause. Not to do so would make it difficult for our communist enterprise to advance, and it might come to a standstill altogether. In consideration of this, Comrade Ye Jianying, based on the party's resolution and in company with Comrade Deng Xiaoping and other leadership comrades of the central government, devoted efforts to the replacement of new and old in the leadership organs of the party, government and armed forces, and achieved notable results.

Comrade Ye Jianying, following Comrade Mao Zedong's constant directive, advocated that elderly cadres should vacate their posts to make way for the talented and should entertain a leading thought and this is that "cadres should be capable of climbing upward and going downward, advancing and retreating, serving as officials and acting as ordinary citizens." (Footnote 2) ("Excerpts of a Talk When Receiving Responsible Comrades of the Organization Department of the Central Committee, General Office of the State Council and Academy of Military Sciences," 11 June 1973) This is an important manifestation of the principle of the proletariat's party character. As an elderly cadre of the party, how should one accomplish the word "capable,"

particularly being capable of "going downward," "retreating," and "acting as an ordinary citizen"? The key lies in taking as the starting point that the party's cause is over all. Just as Comrade Ye Jianying said in his address at the 12th CPC National Congress: "The retreat of many elderly comrades from leadership posts is needed for the development of the party enterprise." Many leadership comrades of our party have precisely done so. When the factors of their age and health have reached the stage that they cannot shoulder heavy and important tasks, they are capable of taking the party's cause as the starting point and initiatively retreat to make way for superior and younger comrades to succeed them, so as to enable the party's enterprise to even more lively and vigorously develop and advance.

All acts that take the party's cause as the starting point and are based on the principle of the party character, require the far-sighted ideology and wide open-heartedness of communism. From the day of his joining the Communist Party of China following the collapse of the great revolution and going against the counterrevolutionary current, Comrade Ye Jianying has harbored a firm confidence in communism. He wrote: "Valuable it is in life to grow a bamboo tree in one's bosom, to help pass the hours of difficulties and trials." (Footnote 3) ("Selections of Ye Jianying's Poems," People's Literary Publishing House, published in April 1983) This green bamboo tree standing symbolically erect in his bosom and typifying his lofty style and brilliant demeanor has precisely grown through the nurture of communist ideologies. Throughout his prolonged revolutionary career, regardless of whatever frightful events coming his way, he has from beginning to end a deep confidence in the "broad thoroughfare of communism being oriented toward the east" (Footnote 4) (Ibid.), and has never wavered from his faith. Precisely because of this he could ably handle on his own the problem of an individual's advance or retreat, being broad in vision, caring for the situation as a whole and capable of advancing and retreating. Over several scores of years, due to the demand of the party's cause, his duties and posts have gone through many changes, rising or falling. Each time, he correctly reacted, always keeping an eye on the long-term interests of the party and the people. As a result, Comrades Mao Zedong and Zhou Enlai both praised him as a good comrade capable of going up or down. Precisely because Comrade Ye Jianying possesses full confidence in the party's cause and a high degree of sense of political responsibility, being unselfish, neglectful of himself, open-hearted and never weighing his own gains or losses, he had made early preparation for ultimately retreating. Many times he has expressed the wishes of "quietly reading books among the plum flowers and alongside the brooks in his hometown." (Footnote 5) (Ibid.) He compiled a poem expressing in substance that "at 80 he is no longer concerned with national events since there are successors in the Long March," and that "an elderly person likes to praise the dusk hours, with the evening glare lighting the green hills all around." (Footnote 6) (Ibid.) What an open-minded and optimistic breadth of mind and what a lofty realm of spirit!

When talking about the problem of how elderly cadres should happily retreat for the sake of the people, Comrade Ye Jianying painstakingly pointed out that here an important problem was how to treat the power in one's own hands. He said: "The power of leadership cadres at various levels was bestowed by the people. The people are the masters of the state and society while we

ourselves are servants of the people. We should use the power bestowed on us by the people to wholeheartedly work for the people's interests." (Footnote 7) ("Talk at the Assembly Celebrating the 30th Anniversary of the Founding of the PRC," 30 September 1979) "An office in political power is only a post in service of the people, it is not an official job to ride roughshod over others." (Footnote 8) ("Talk at a Meeting of Cadres of Beijing Municipality," 21 April 1949) He praised highly those comrades who always had in mind the party's enterprise and served the people wholeheartedly. In his commendation of Comrade Ren Bi, he praised him for "being diligent and assiduous all his life, working hard, having only the interests of the party and the people at heart, and never being concerned with reputation or position." (Footnote 9) ("Mourning Over the Passing of Comrade Ren Bi," 31 October 1950) He lauded Comrade Chen Geng for "not seeking for superficial name, never being afraid of difficulties and never bringing others into trouble." At the same time, he sternly admonished and rebuked those comrades who wished only to advance and not retreat and who wanted to be officials and not ordinary citizens, pointing out: Our Communist Party members are practicing communism and not feudalism or capitalism. (Footnote 10) ("Excerpts of a Talk When Receiving Responsible Comrades of the Organization Department of the Central Committee, General Office of the State Council and Academy of Military Sciences," 11 June 1973) Within our party a very small minority of cadres are jealously concerned with an individual's name, benefit and position. They transformed the power bestowed on them by the people into special privileges to seek private gains and when they became old and weak in physique, they still would not give up. They are suffering from the influences of feudal and capitalist ideas, and some are victims of the "habitual craving" for officialdom. Tendencies of this kind are extremely dangerous.

## II

Communist Party members must accomplish the feat of using one's retreat to promote the advance of the party's cause. This is the demand of the principle of the party character and, basically, it is a problem of world outlook. Comrade Ye Jianying believes that cadres who are party members, and especially cadres who take up high-level leadership posts of the state, must consciously and fully perform their role in the historical process of social development, perform meritorious deeds for the party and the people, stand at the height of the historical outlook of materialism, and correctly understand the individual's position and role in history.

For the sake of clearly understanding in theory certain basic problems of the historical outlook of materialism, Comrade Ye Jianying carefully studied the relevant publications of Marx, Lenin, and Comrade Mao Zedong. He employed the historical materialist viewpoint to analyze the reality of the formation of cadre ranks and felt that in teaching the cadres to correctly treat the individual's advance or retreat the pivotal point is to solve the problem of the individual's position. This calls for correctly placing the individual in the collective, among the masses and in the party structure. He took to task certain people who had been inclined to exaggerating their own role and he admonished all to correctly estimate their own talent and the role they

could put into full play. He said: "No single individual can possess knowledge on all sides; it is impossible to demand of an individual to know everything.... Hence, no individual can be perfect. Perfection can be sought only from the collective." (Footnote 11) ("On the Problem of Guangdong's Liberation," 23 September 1949) "The individual who is truly 100 percent perfect does not exist; the central force lies in the group and not in any one individual." (Footnote 12) ("Speech Delivered at the First Meeting of the Provisional Party Committee of the Academy of Military Sciences," 11 January 1958) This is to say, the individual is like a drop of water; immersed in a large river and the high sea, it has a vast universe and enormous strength. An individual's life is short and even shorter is the time he occupies a leadership post, whereas a collective enterprise has everlasting life. When the individual retreats or departs from the scene in a collective enterprise, the collective enterprise still continues its advance.

Comrade Ye Jianying has consistently insisted on the basic viewpoint of the materialist conception of history. During the "Cultural Revolution," he deeply resented the Lin Biao and Jiang Qing clique's propagating the theory of innate genius and going in for the blind faith in the individual. He determinedly struggled against them. Following the crushing of the "gang of four" and talking about the deeply touching lessons of this gigantic catastrophe at a series of meetings, he strongly urged raising the level of the party's ideology on historical materialism and the correct recognition of the role of the individual, particularly that of leadership persons. In talking about how to correctly comprehend in a socialist society the problem of the reciprocal relationship between the masses, classes, political parties, and leaders, he made some superb remarks: "Marxism recognizes that leadership persons play an important and indispensable role in historical development; at the same time it believes that leaders who play the role of promoting progress must be representatives of the interests of the masses as well as the executors of the wishes of the masses. Leadership of proletarian political parties and socialist countries, according to what Lenin said, generally does not consist of a single person but a group of persons formed by the people and called as leaders. Various levels of organs all must have their leadership persons. These persons and their prestige are a natural growth in the struggle of the masses. Not one of the leadership persons is a deity; all of them cannot but have their own defects and mistakes and none should be deified. The role of the collective or of the masses shall never be downgraded and the role of the individual should not be played up at will." (Footnote 13) ("Talk at the Assembly Celebrating the 30th Anniversary of the Founding of the PRC," 30 September 1979) This message elucidated on the one hand the leadership personnel's importance in history and pointed out on the other hand their limitations in history, thereby enlightening us that the departure and retreat of any person, including outstanding leadership persons, can by no means alter the general trend of history and cannot cause the party's cause to stand still. Hence, from the viewpoint of thoroughgoing materialism, be it in a party, or a nation, or a department or a unit, it does not hold that the departure of a single individual will stop the earth from rotating. The clamor that "in the whole universe, who else but myself" is outright historical idealism.

Comrade Ye Jianying's long and difficult revolutionary career is a good illustration of this truth put into practice. For over half a century, Comrade Ye Jianying has performed many indelible and meritorious deeds for the party, the people, and the proletariat. In particular, at crucial moments of the complex revolutionary struggles, his great wisdom and courage and his exceptional revolutionary valor made special contributions to the party and the people. During the Long March, he waged a determined struggle against Zhang Guotao's splittism. Courageously and ingenuously, he handed to the party Central Committee and Comrade Mao Zedong a cipher telegram from Zhang to the Red 1st Route Army which would endanger the cause of the central party. He thus performed a meritorious deed to the party. In October 1976, at a highly critical moment when Jiang Qing's counterrevolutionary clique was plotting to seize the highest leadership authority of the party, he boldly came forward. Along with other comrades, he calculated meticulously, issued resolute orders, and at one stroke crushed Jiang Qing's counterrevolutionary clique and delivered the party from near disaster. The victory gained in this struggle was an especially meritorious deed in history rendered by Comrade Ye Jianying to the party and marked the most illustrious chapter of his several decades of legendary experiences. Since then, Comrade Ye Jianying, as one of the prestigious principal leaders of the party and state, has made outstanding contributions to the formulation by the 3d Plenary Session of the 11th CPC Central Committee of the correct guideline, to the development of the socialist modernization program of the state and to the promotion of the peaceful unification of the fatherland. Comrade Ye Jianying is verily an outstanding figure in the party's history. However, from beginning to end he has seated himself in a correct position, humble and unadorned, never considering himself to be an extraordinary figure but an ordinary "old soldier." Whenever other people lauded him for his meritorious deeds in history, inevitably his reply would be "I have not done anything." (Footnote 14) (Conversation on 16 April 1982) After crushing the "gang of four," many of the elderly comrades of the party all hoped that he would ascend to the top leadership post of the party but he steadfastly rejected. In his several decades of revolutionary struggle, Comrade Ye Jianying has indeed made superb contributions to the party and the people. But he has been so selfless and virtuous as to "decline the honors after having achieved success." His life ambition is illustrated in a verse of one of his poems: "Sworn to the titanic cause of communism; pleased to be a fallen flower and still red in color." (Footnote 15) ("Selections of Ye Jianying's Poems," People's Literary Publishing House, published in April 1983) This justly reflects his world outlook of historical materialism.

### III

Comrade Ye Jianying pointed out many times that a party cadre, in using his retreat to promote the advance of the party's cause, must still insist on the viewpoints of dialectical materialism, consciously comprehending and obeying the objective law of the new superseding the old. "In the macroscopic superseding of the old by the new, a new generation of young successors will emerge." (Footnote 16) (Ibid.) The realization of this law in the building of our party and cadre corps calls for the new ceaselessly replacing the old. Only by closely working in accordance with this law is it

possible to maintain the stability and continuity of the party's policies and enable the party's ranks to be forever revolutionary corps who are imbued with vitality, full of fighting spirit, and ready to sacrifice themselves.

In our party, how should we go about employing the law of the new superseding the old and the problem of the new replacing the old? In Comrade Ye Jianying's opinion, principally two problems must be solved well.

First, elderly comrades who are advanced in age and weak in physique must be courageous enough to admit that the latecomers surpass the old-timers and must understand that the law of the new superseding the old is objective, that it is inevitable that the new replaces the old, and that all this cannot be changed by man's wishes. They must then realize the trend, obey the law and initiatively retreat to make way for the talented. Naturally, regarding the "retreat" of the elderly comrades, Comrade Ye Jianying did not advocate that it should "apply to all and at once," but emphasized that concrete conditions should be concretely analyzed. As early as in the early 1960's, after making an investigation and survey he found that elderly cadres were subjected to four states of conditions: First, those who, though elderly and weak, are still able to insist on working and the party's cause also needs them to continue to stay at their leadership posts and this also conforms with the demand of the basic interests of the party and the people. Second, those who subjectively wish to do more work, but whose physique is incapable of responding to his heart's wishes; hence, of their own initiative, they offer to retreat to make way for the talented. This group respects the party's cause and considers one's gain or loss as entirely secondary. We should respect them and learn from them. Third, those who are elderly and frequently feel indisposed. They know that they are unable to bear the heavy burden of their current duties, but still remain in their posts, unwilling to retreat and make way for the talented. This is harmful to revolutionary work and cannot help them to recuperate and regain their health. We should not follow their example. Fourth, those who physically have certain illness and are still able to do some work. But they habitually take a long rest on the pretext of a small illness and take the opportunity to tour places. They like to enjoy life and dislike work. This group of people occupy their posts not for the sake of doing work but to pass time. This attitude of "drifting along" not only should not be followed but also should be firmly opposed. (Footnote 17) ("Talk at the Assembly of the Academy of Military Sciences," 28 September 1964) These views of Comrade Ye Jianying were at the time highly respected by Mao Zedong and other leadership cadres of the central government. The General Office of the Central Committee organized them and compiled them into a documentary form for circulation to the departments and units. Moreover, Comrade Ye Jianying frequently made an analogy of the past with the present, saying: "Looking at the present mirrors the past; without the past, the present does not exist." Certain dynasties in our country's ancient feudal society also made the regulations that "at 70 a senior official should leave his post." The term of appointment of officials was not without a time limit and there were quite a number of people who felt that "those advanced in age should retire and retreat after having made their name." Communist Party members and cadres of the revolution naturally should be in a realm of thought higher in level than people of the past. He cited

the example of the old general, Lian Po, and exhorted the elderly comrades to admit their old age and retreat whenever they should retreat. But he hoped that those comrades who had retreated should not retreat in their ideology. Rather, they should continue to do some investigation and research work, sum up their experiences, and continue to do whatever work they are capable of. At the same time, he demanded of the whole party and whole society to respect and take care of the elderly cadres, making good arrangements for them so that "each is in his proper place, to pass his last years." (Footnote 18) ("Excerpts of a Talk When Receiving Responsible Comrades of the Organization Department of the Central Committee, General Office of the State Council and Academy of Military Sciences," 11 June 1973)

Another side of solving the problem of the new replacing the old in the party is the training and selection of young successors to the revolution. This is to say, simultaneously with advocating "retreating," it is also necessary to do a good job in "advancing." In this regard, Comrade Mao Zedong and other elderly revolutionists of the proletariat have made many important discourses. Comrade Ye Jianying himself mentioned many times that communism is a glorious and difficult undertaking, needing the continuous and difficult struggle of one generation after another. At the work conference of the central government held in December 1978, he attracted the attention of the whole party by his advocacy of taking the training and building of a large number of successors to the revolutionary cause as "an exceedingly important strategic task" of the whole party and whole nation. In March 1982, in one of his talks, he especially touched on the lesson learned from Kingdom Zhu's problem of finding successors during the period of the Three Kingdoms. He said: At the time Kingdom Zhu had already been bothered by the problem of the aging of cadres. The saying at the time was "Good generals were lacking in Kingdom Zhu; and second-stringers like Liao Hua had to lead the armed forces." In Zhuge Liang's "Second Petition to the Zhu Emperor," he admitted that he was bothered by six knotty problems. One of them was that since the occupation of the Hanzhong region, within a year's time, the country had lost 70-odd generals and commanders, including Zhao Yun and Yang Qun, not to mention some 1,000 personages of the various branches of the armed forces. He pointed out in deep grief that all these people had been the pick of talents gathered from all sides in several decades of years and had not come from a single zhou. He predicted that in several more years very likely two-thirds of the forces would be gone. "How would it be possible then to face the enemy?" At that time, Zhuge Liang was already advanced in age, but had not yet selected or appointed young people as successors. "Your humble servant Liang had to attend to all affairs of the state, big or small," he wrote, and "Liang had to make the decisions." Kingdom Zhu was small in size and did not have much territory. It lacked persons of talent. The commanders were mostly military people and there was a lack of nonmilitary or civil personnel to administer the affairs of the state. Zhuge Liang became much worried but subsequently managed to discover Jiang Wei as a person of talents and made Jiang his successor. Comrade Ye Jianying deeply felt that Kingdom Zhu's problem of the aging of the cadres and problem of finding successors had offered bitter lessons for us to learn from. In our party, some 50 years had gone by since the time of Jinggang Shan. Having gone through many years of warfare and unrest, our cadres have all become advanced in age. The time is now ripe

for vigorously training up and selecting successors. He and other elderly revolutionists deeply felt this to be an important and urgent issue. At times it so disturbed them that they could hardly sleep well or enjoy their food.

After the elderly comrades have retreated, who should take over? Regarding this, Comrade Ye Jianying offered many valuable views. He emphasized that successors should be young and full of vitality and, more importantly, should be imbued with a strong party character, could firmly insist on truth and determinedly implement the party's lines; they must be able to organize and lead; and they must have passed the tests and trials of practice and won the support of the masses. (Footnote 19) ("Talk at the Assembly Celebrating the 30th Anniversary of the Founding of the PRC," 30 September 1979) As for how to select successors, he believed that the elderly comrades not only should "know themselves," but also should "know other people" and truly accomplish the feat of knowing people, adept in appointing people, and appointing only the persons of talent. But the individual's knowledge is limited. For this reason, he emphasized the formation of a system for the selection, appointment, and dismissal of cadres so that there is a healthy and rational system to fall on in solving the problem. He emphatically pointed out: "In selecting cadres, particularly team leaders, it is necessary to propound the democratic spirit, take the mass line, refrain from listening, believing, liking or detesting any one side or blindly trusting one's own special views. There must be a healthy system to govern the appointment and dismissal of cadres so that the populace have the power to elect and dismiss the personnel serving them." (Footnote 20) ("Speech Delivered at the Closing Session of the Work Conference of the Central Government," 13 December 1978) He adamantly objected to the method of giving preference to seniority and advocated bold selection, "disregarding convention, and going so far as even to pick your enemy." (Footnote 21) ("Selections of Ye Jianying's Poems," People's Literary Publishing House, published in April 1983) These true knowledge and brilliant views of Comrade Ye Jianying summed up the prolonged experiences and lessons of our party in the selection and appointment of cadres, particularly cadres at the higher levels and should be well respected by us.

Comrade Ye Jianying not only discoursed at length on the problems of the new replacing the old and the training of successors but also for long has trained up a large number of persons of talent for the party, the armed forces, and the state. This military educator of the proletariat, well known both within and outside the party, in the years of the revolutionary wars, took up at one time the posts of the president of the Red Army Academy, vice principal of the Institute of Education in Yanan, and president of the North China Military and Political University. Under his leadership, guidance, and training, batches after batches of people of talent have taken up posts in the armed forces and the localities. It may be said that his pupils are found "everywhere in the world." In particular, in the 1950's and the early part of the 1960's, Comrade Ye Jianying was in charge of the work of the schools and academies of the whole armed forces as well as military training. He worked painstakingly and tirelessly to train up a large number of persons of talent for our military modernization program. In the 1970's and the early part of

the 1980's, as one of the principal leaders of the party and the state, Comrade Ye Jianying, along with other elderly revolutionists, proposed and recommended to the government many people of talent and ability. They selected a number of young, vigorous, and superior comrades to fill the leadership posts of the central government and thus laid a solid foundation for organizing, in the new historical era, the party's gigantic transformation program, for the modernization and regularization of the armed forces, and for the prolonged and sustained stability of the state. Comrade Ye Jianying's immense contributions to the party's organization and construction, particularly the replacement of the old by the new, will like all his other illustrious deeds be forever remembered by the party and the people.

Du Fu, a great poet of our country, composed a well-known poem in which were several verses saying that while Yu Xin's essay writing improved with his years and Ling Yun's pen was forever forceful and fearless, the compositions of many contemporary writers have enjoyed wide circulation and that knowingly or unknowingly the old-timers owed respect to the latecomers. In his "Miscellaneous Poems on Trip to the West," Comrade Ye Jianying used the same tune of the last verse of Du Fu's poem but expressed a meaning in the opposite. He wrote: "The deeds of this generation of heroes are immortal; truly we daresay that the old-timers may put the latecomers to shame." (Footnote 22) (*Ibid.*) This verse is highly impassioned and deeply meaningful. It expresses the elderly revolutionists' unlimited faith in, and earnest aspirations for, the younger generation of revolutionary successors. We must learn from Comrade Ye Jianying's revolutionary style and his correct handling of the problem of advance or retreat and continue to perform a good job in the replacement and cooperation between the new and the old so that the communist cause will be inherited generation to generation throughout the years, its brilliance forever radiating in all directions.

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CSO: 4004/32

## SEVERAL PROBLEMS IN THE PRICE REFORM AT PRESENT

Beijing RED FLAG in Chinese No 1, 1 Jan 86 pp 14-17

[Article by Cheng Zhiping [2052 5268 1627], director of State Administration of Commodity Prices]

### [Text] The Situation of Price Reform in 1985

In line with the policy of "combining relaxed control with readjustments and aiming at progress in measured steps" laid down by the CPC Central Committee and the State Council, the main contents of the price reform last year were: 1) To relax controls on the price of pigs; 2) to adjust the buying and selling prices of grain in the rural areas; and 3) to raise fares for short-distance railway transport.

The first was to adjust the policies on purchasing and marketing live pigs and on their prices. The whole content of the reform can be summed up in the following four points: 1) Abolish the system of fixed state purchases of live pigs and institute a system of purchasing live pigs by contract so that the peasants can have more decisionmaking power; 2) change the state unified prices into negotiated ones under state guidance so that prices can conform to value and suit changes in market supply and demand; 3) alter the long-standing situation by which the state purchases live pigs at prices higher than their selling prices and thus operates at a loss and change the practice of granting covert subsidies so that pork, which was formerly supplied by ticket, can be supplied unrestrictedly in many cities; and 4) appropriately widen the price differences between different regions, seasons, and qualities. The fundamental objective of the reform was to arouse the initiative of both producers and dealers, to further develop production and to meet the needs of urban and rural people. This reform is exerting a positive influence on production, circulation, and consumption: 1) Since controls on the purchasing prices of live pigs were relaxed, the peasants' initiative in raising pigs has been raised. In some major pig-raising areas, the output has increased by 10-20 percent. 2) The supply of fresh pork on the market has increased and the situation whereby residents in many cities have often been supplied with frozen pork and rarely with fresh pork is being gradually changed. 3) Pork is being supplied through numerous channels and the long-standing situation characterized by a unitary channel of circulation, rigid price controls, and state-owned food companies operating at a heavy loss has been initially reversed.

The principal problem at present is that the measures taken by some localities to support production, to facilitate purchases according to contracts, and to conduct market management are yet to be perfected and that many retail shops have raised prices in disguised form by selling lean meat mixed with fat. Further measures should be taken in order to solve this problem.

While relaxing controls on the price of pork, many cities have also relaxed controls on the prices of vegetables and other nonstaple foods. According to a survey in Jiangsu Province, this has resulted in four changes: 1) The volume of vegetable transactions in the cities throughout the province increased by more than 50 percent last year over the previous year; 2) in many cities the variety of vegetables sold on the market has increased by more than 20 percent; 3) in many cities supplies of fresh, seasonal vegetables have increased, such as green peppers in January, Chinese chives in February, lettuce in March, cucumbers in April, and tomatoes in May; and 4) the edible rate of vegetables has reached 90 percent, an increase of 18-20 percent over the previous years, and "tender, fresh, and delicate" vegetables have been supplied instead of the "old, big, and coarse" ones. The main problem is that vegetable prices have risen quite considerably in some big cities about which the masses have a lot of complaints. The state department promptly instructed the relevant departments to hold a vegetable forum, which was attended by some provinces and municipalities. The meeting adopted a series of measures aimed at stabilizing production and prices. Since the third quarter of last year, vegetable prices in most cities have initially been brought under control. Practice over the years shows that it is inappropriate to adopt the method of state monopoly for the purchase and marketing of such perishable commodities as vegetables and the practice of fixing unified prices for them. We should gradually relax price controls after making adequate preparations. However, because vegetables are people's basic daily necessities, we should strengthen guidance over their production through planning and grow vegetables well. State commerce should stabilize vegetable prices by vigorously regulating purchasing and marketing quantities. Large and medium-sized cities should gradually set up wholesale markets and exercise necessary controls over them. The practice of fixing negotiated prices for certain vegetables in large quantities should be adopted under state guidance. In large and medium-sized cities, in particular, mayors should personally organize the forces of various quarters to prevent skyrocketing vegetable prices as a result of carelessness in work. This is not only an economic issue but also a political one that has a bearing on unity and stability.

Most cities relaxed controls on the prices of fowl, eggs, and fish a long time ago and their prices were generally stable last year. In Beijing, Tianjin, and Shanghai, however, the price of fish rose considerably last year.

The second was to readjust the grain price in the rural areas. In an effort to stimulate readjustment of production structure in the rural areas and to further enliven the rural economy, the State Council abolished the policy of unified state purchases of grain and instituted a system of purchases by contract, under which the practice of buying at the subsidized above-quota purchase price was changed into one of buying 30 percent of grain at the

unified purchase price and 70 percent at the subsidized above-quota purchase price. In the rural areas, the practice of selling grain at a price lower than its purchase price was changed into one of selling grain on a par with its purchase price.

This method of fixing grain prices has simplified the form of pricing and eliminated various malpractices, such as changeable purchase prices caused by numerous prices, unfairness in the distribution of profits among different regions and peasant households, and profiteering activities by some units and individuals. It has also prevented a yearly increase in financial subsidies resulting from the constant expansion of purchases at the subsidized above-quota purchase price. In adjusting the price of grain resold by the state to the place of production, many localities have handled the grain ration of vegetable growers and salt producers in different ways and given them appropriate preferential treatment. This reform has also helped to stimulate the development of the rural economy.

The third was to raise the fares for short-distance railway transport. This was aimed at promoting rational division of labor between railway transport on the one hand and highway and water transport on the other. For a long time, the fares for short-distance railway transport were too low, which has resulted in some cargo and passengers being transported by rail instead of by highway. After the fares for short-distance railway transport were raised, the number of passengers and the volume of cargo transported over a short distance by rail rose significantly. This has played a certain role in tapping the potential of highway and water transport and in reducing the strains on transport.

Moreover, we also appropriately adjusted the price differentials for coal from different localities and with diverse quality and relaxed controls on the prices of the means of production not listed in the state plan.

By and large, the price reform last year was correct in orientation and was conducted fairly smoothly. It has played a positive role in stimulating production, invigorating circulation, enlivening the market, and making life more convenient for the masses. In the course of the reform, there were shortcomings in specific work. The relevant localities and departments have taken or are taking steps to sum up lessons and experiences and to grasp the work firmly so as to solve the problems gradually.

#### Measures for Maintaining Basic Stability in Commodity Prices

The question of how to maintain basic stability of prices in the course of the price reform has always been a matter of great concern to the CPC Central Committee and the State Council. Since last year the state has adopted a series of measures aimed at stabilizing commodity prices. These measures can be summed up as follows: 1) The state has convened important meetings on numerous occasions in a vigorous effort to bring under control the scope of investment in fixed assets, the overexpansion of consumption funds, and the volume of currency put into circulation and to control price hikes once and for all. 2) In line with the principle of macro control and micro flexibility,

the state has fixed the range of price hikes on an annual basis and called on all localities to carry out their work around this objective. 3) For a certain period the central authorities will not take new price hike measures and they have called on all provinces, autonomous regions, and municipalities to do likewise. 4) We should do a good job of production and regulate the supply of pork, vegetables, and other major nonstaple foods. Sufficient acreage under vegetables should be set aside, according to the plans, and vegetables should be grown satisfactorily. We should give play to the leading role of state-run vegetable companies by transporting vegetables from the south to the north in order to regulate supply and demand and to stabilize vegetable prices. Maximum prices for pork, fresh eggs, and vegetables in large quantities should be fixed if necessary. In the off seasons we should make arrangements for the production and supply of bean products. Steps should be taken to grant necessary vegetable subsidies. 5) The prices of manufactured goods used in the people's daily life and service charges should remain basically stable. Industrial enterprises should be urged to reduce production costs. They should not be allowed to jack up prices if profits can still be made despite rises in the prices of raw materials. We should prevent the enterprises producing nonprofitable manufactured goods from raising prices by appropriately reducing their taxes or supplying them with raw materials at government prices. 6) A general inspection of commodity prices should be carried out in depth in order to resolutely check the practice of raising prices and collecting charges at will. Price controls on village fairs and peddlers should be strengthened. State-owned and collective enterprises, as well as individual peddlers, should strictly observe the guidance prices and the principles of fixing the prices of major commodities. Violations of the price policy should be conscientiously investigated and dealt with. According to incomplete statistics, in the first 9 months of last year, more than 160,000 violations of the price policy were investigated and dealt with and the total fines and confiscated money reached more than 130 million yuan. This registered an increase of about 100 percent over the corresponding period in 1984.

The governments at all levels and the departments concerned have made tremendous efforts to carry out the above-mentioned plans and requirements of the State Council and have attained good results in controlling price hikes.

#### The Relationship Between Price Adjustments and the People's Life

In appearance, there is a contradiction between price hikes and improvement of living standards. Viewed from the actual situation in our country in the past few years, raising the prices of some commodities in a planned and restrained way (naturally, it is imperative to check the practice of raising prices at will) helps stimulate production and improve supplies. On the one hand, commodity prices are up. On the other hand, with the development of production and the increase in commodity supplies and people's income, the living standards of the broad masses have improved. This is also an aspect of unity between rising commodity prices and improved standard of living. Should we refrain from adjusting commodity prices, which makes it difficult to develop production, to increase income considerably, and to improve people's living standards markedly? Or should we properly adjust the prices

of some commodities and make it possible to stimulate production, to gradually increase income, and to improve the standard of living in varying degrees? It goes without saying that we should take the first path. In the past we have paid more attention to stabilizing commodity prices than to adjusting and reforming them. Some people held that only by stabilizing commodity prices (which, in fact, means freezing commodity prices) can we demonstrate the advantages of the socialist system. In truth, the advantages of the socialist system are, fundamentally speaking, reflected in the vigorous development of social production and the gradual improvement of the people's living standards on the basis of increased production. If we fail to develop production, which results in the scarcity of commodities, it will be impossible to improve the living standards of the people. Naturally great efforts should be made to maintain the basic stability of prices and necessary adjustment should be made in line with the capacity of the state finance, enterprises, and the masses to withstand the strain.

On the basis of maintaining the basic stability of prices, adjusting the prices of some commodities in a planned way is indeed conducive to the development of the social productive forces and the improvement of the people's living standards. It helps bring into play the advantages of the socialist system. After the 3d Plenary Session of the 11th CPC Central Committee, that is, from 1978 to 1984, the country's retail price index rose by 17.7 percent, the cost of living index of workers and staff members by 19.9 percent, and the average income of urban and rural population by 86.9 percent which, after allowing for price rises, was adjusted to 57.7 percent. The per capita income of the peasants increased by 165 percent which, after allowing for price rises, was adjusted to 144 percent; the per capita salary income of workers and staff members increased by 58.6 percent which, after allowing for price rises, was adjusted to 32.3 percent. This shows that despite the price rises in the past few years, the living standards of the urban and rural population have improved in varying degrees, which demonstrates the dialectic relationship between rational price adjustments and gradual improvement in the people's living standards. Although prices rose by a bigger margin last year than in the previous years, the people's income also rose fairly rapidly. It is estimated that the average annual income of the country's workers and staff members increased by about 17 percent (not including price subsidies) in 1985 over the previous year. In a number of large and medium-sized cities, prices rose considerably and the income of the workers and staff members also increased considerably. Although grain output dropped in the rural areas, the output of numerous industrial crops increased considerably. With price controls on most farm and sideline produce having been relaxed and the rapid development of village industries and sideline occupations, the per capita net annual income of the peasants was expected to increase by more than 10 percent in 1985 over 1984. Generally speaking, after allowing for price rises, the actual income of the great majority of people has increased because reform has stimulated production. Naturally, due to various reasons, the living standards of a small number of workers and staff members have improved very slowly and some even live in straitened circumstances. The state is trying to help and to look after them by taking various possible measures. In the future, we should persist in carrying out reform and gradually straighten out price structure. We should also take

into full consideration what the state, enterprises, workers, and peasants are capable of and take effective measures to maintain the basic stability of prices. In so doing the scope of price hikes will be lower than that of the people's income growth and the living standards of the broad masses will gradually improve on the basis of increased production.

#### Guidance Should Be Strengthened Following the Relaxation of Price Controls

In 1985, when studying the feasibility of relaxing price controls on live pigs and some perishable, nonstaple foods, the state initiated the practice of negotiating the prices of important nonstaple foods, such as live pigs and vegetables, under state guidance. State commerce should take an active part in regulation by the market mechanism and play its leading role by regulating the supply of commodities and stabilizing both prices and the market. This is a necessary condition to ensure the smooth progress of price reform and is an important feature of the planned commodity economy.

After relaxing price controls, the state usually will not interfere in the prices of numerous farm and sideline produce in small quantities but let the market regulate them spontaneously. The practice of negotiating prices under state guidance should be adopted toward important commodities that have a strong bearing on people's livelihood and production, such as pork, vegetables, major industrial raw and semifinished materials, and export commodities. After relaxing price controls on important commodities, we should not hold on to the old practice of handling as usual the commodities on which price controls have been relaxed, nor should we take a laissez-faire attitude, allowing the market to regulate itself spontaneously and letting prices skyrocket or plummet. This is an extremely irresponsible attitude toward the people, which should be resolutely opposed and stopped.

After relaxing price controls on live pigs, Sichuan, Hebei, Shandong, and other localities adopted various measures, such as purchasing pigs according to contracts, supplying feed grain, granting food companies some subsidies, extending credit to food companies to help them purchase pigs in the peak seasons, and fixing both the maximum and minimum protection prices. All this has helped to develop pig production, stabilize its prices, and protect the interests of both producers and consumers. Many large and medium-sized cities set aside acreage under vegetables in a planned way for the establishment of production bases. State commerce has also attained satisfactory results through various measures, such as regulating purchase and sales, fixing price limits for vegetables in large quantities as necessary, doing a good job of commodity supply on behalf of vegetable growers, and strengthening management over peddlers. In Anshan city, Liaoning Province, the prices of vegetables rose only slightly and there was an ample supply of vegetables last year chiefly because the city did a good job in these fields. Practice has proven that following the relaxation of price controls on pork, vegetables, and other major nonstaple foods, prices will rise for some time but, provided that the state does a good job of stimulating production and regulating supply and demand, it will be able to gradually rationalize and relatively stabilize the prices.

## Vigorous Efforts Should Be Made To Put a Stop to the Practice of Raising Prices at Will or in a Disguised Form

Market prices affect all factories, shops, and households and are closely interrelated to production and the people's livelihood. To make the country strong and prosperous and to improve the people's living standards on the basis of increased production, we should persist in reform and gradually straighten out the price structure. We should also resolutely put a stop to the practice of raising prices at will or in a disguised form. For this reason, it is necessary to further extend the authorities of the price inspection and supervision departments and to vigorously step up price inspection and supervision. First, we suggest that the party and government organs at all levels should attach sufficient importance to this issue. China is practicing a planned socialist commodity economy and the struggle between supervision and countersupervision in the economic field is both protracted and complicated. It is necessary to strengthen leadership over this struggle and persist in it. Second, we should encourage the workers and staff members of industrial and commercial enterprises to guarantee the quality of products and to conscientiously carry out the price policy, taking this as a principal requirement for the building of civilized factories and shops. Many cities have attained satisfactory results in launching dependable price and measurement movements. Third, we should strengthen the work of the price inspection departments, carry out a thoroughgoing inspection in selected units, uphold principle, promptly handle problems, satisfactorily integrate ideological education with enforcement of law and discipline, and conscientiously fulfill our duties. Last, but most important, we should rely on the broad masses of the people and encourage them to take an active part in the work of inspecting and supervising prices. It is particularly necessary to encourage both in-service and retired workers and staff members, as well as city residents, to serve as voluntary price inspectors and to set up price inspection stations. Practice has proven that since we have only a small number of professional inspectors, it will be impossible to exercise price controls and to put a stop to the practice of raising prices at will or in a disguised form without mobilizing and relying on the broad masses. Naturally, we do not want to exercise rigid controls on market prices because our aim is to enliven the market more satisfactorily. However, this liveliness should conform to the requirements of socialism and the planned commodity economy and should be advantageous to both the state and the broad masses. Stern penalties should be meted out to those who raise prices at will or in a disguised form by substituting poor quality goods for good ones, giving short measure, or driving up prices and who get rich at the expense of the state and the masses. The more the market is enlivened, the more we should stress the necessary controls. Running parallel, liveliness and control complement each other. We should make great efforts to shape a situation in which the whole society is concerned with, administers, and supervises commodity prices.

### Price Trends in 1986

An extremely important step was taken in price reform in 1985. Reforming the prices of pork and other perishable nonstaple foods, in particular, is a

brand-new task. Our policy measures and specific methods should be gradually perfected through practice within a certain period of time. To this end, we should unify our understanding, consolidate, amplify, assimilate, and smooth out these measures and methods, sum up our experience, correct the mistakes, preserve the advantages, and eliminate the disadvantages. The State Council has decided that no major moves in price reform are planned for 1986. The departments concerned should take effective measures to maintain the basic stability of market prices. The state has attained initial results in exercising macro control. A major financial, tax, and price inspection is being thoroughly conducted. Following the vigorous development of industrial and agricultural production, the output of durable goods has increased considerably, there is an ample stock of grain, oil, pork, cotton, cotton cloth, and other major consumer goods, and the state has grasped an important economic means of stabilizing market prices. The commodities whose prices are fixed either by the state or by enterprises under state guidance account for a major portion of the total value of market commodities while the commodities whose prices are subject to regulation by market mechanism account for only a small portion of total value of market commodities. In addition to the factors mentioned above, we should also adopt the necessary economic means and strengthen administrative management. As long as we strive to do our work well, we can basically stabilize commodity prices this year.

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CSO: 4004/31

## STRIVING FOR A NEW SITUATION IN BUILDING SPECIAL ZONES

Beijing RED FLAG in Chinese No 1, 1 Jan 86 pp 18-22

[Article by Li Hao [2621 3493], vice governor of Guangdong Province and mayor of Shenzhen city]

[Text] It is over 5 years now since the Shenzhen Special Economic Zone was formally established in August 1980. Over the past few years, under the leadership of the CPC Central Committee, the State Council, the Guangdong Provincial CPC Committee, and the Guangdong Provincial People's Government, and with the strong support of various areas and departments of the whole country, the Shenzhen City CPC Committee, Shenzhen City People's Government, and all the builders of the special zone have made strenuous efforts to carry out the wide-scale construction in the spirit of exploration and reform and have finally made overall progress. Now a modern city stands in an embryonic form on land which used to be a wilderness. The total output value of the special zone increased from 80 million yuan in 1980 to 2.5 billion yuan in 1985 (this is the projected figure, as are the following figures); during the same period, the gross national product of the special zone increased from 142 million yuan to 2.9 billion yuan; the financial income of the special zone increased by 1,350 percent; the foreign exchange earnings of Shenzhen city reached \$660 million; a batch of enterprise groups geared to the needs of the international market have begun to take shape; and 35 percent of the industrial products of these enterprise groups have been successfully exported to the international market. The Shenzhen Special Economic Zone has begun to bring into play its role as the hub of "four windows" and "two sides of a fan," has begun to play a positive role in maintaining the stability and prosperity of Hong Kong, and has exerted an extensive influence in the world. Practice has proved that the CPC Central Committee's policy of establishing economic zones on a trial basis is wise and correct.

Now the Shenzhen Special Economic Zone has entered a new stage of development. In the past, after fighting a battle, we usually needed to sum up experiences. Now we have achieved a great victory in building the Shenzhen Special Economic Zone after carrying out construction for 5 years, but we have also met with some unavoidable difficulties and problems during this period. Therefore, we need to carefully sum up our experiences and define our future tasks so as to further implement our party's policy of opening up to the world, and make more contributions to the building of the socialist four modernizations.

## Firmly Establishing the Guiding Ideology of the Special Zone Relying on the Whole Country and Serving the Whole Country

The special zone is a special zone of the whole country. The special zone must rely on the whole country and serve the whole country. This is the fundamental guiding ideology in building the special zone. In the past, we often stressed that the construction of the special zone must be carried out through "promoting the introduction of advanced foreign technology and strengthening cooperation with units in the hinterland" and "carrying out cooperation and exchange with units in the hinterland," which actually embodied the meaning of our fundamental guiding ideology. In the future, we must further establish the ideology of relying on the whole country and serving the whole country, and arrange the various construction undertakings of the special zone and deal with the relations between the special zone and the hinterland, especially the relations between the special zone and Guangdong region by proceeding from this fundamental guiding ideology.

At the very beginning of establishing the special economic zone on a trial basis, the CPC Central Committee and the State Council not only considered establishing a special economic zone in Shenzhen, but also took the Shenzhen Special Economic Zone as a test site, and as a first step in opening up our country to the world and invigorating our country's domestic economy. Comrade Deng Xiaoping once vividly described the special zone as "four windows," namely, the window of technology, the window of knowledge, the window of management, and the window of our country's external policies, which explained the relations between the special zone, which he described as "windows," and the hinterland. Comrade Hu Yaobang also clearly pointed out: "Establishing the special zones is a new thing. So we should do the new thing in a new way, and do the special thing in a special way, which is of universal significance, because in the future, the whole China will do new things in a new way." Later, Comrade Zhao Ziyang suggested that the special economic zones should bring into play their role as a hub formed by "both the internal and external sides of a fan" which radiate from each other, and their role as a link and a bridge linking the domestic and international markets. So we cannot take the establishment of the Shenzhen Special Economic Zone as a regional development, cannot take it as something concerning a certain region or a certain department, and neither can we take Shenzhen as an ordinary key city. The Shenzhen Special Economic Zone is a special economic zone of the whole country. To establish the special zone well will be greatly helpful to our country's opening up to the world and our country's reform and economic development as a whole.

The Shenzhen Special Economic Zone has so far achieved a series of successes because Guangdong Province has been vigorously developing economic intercourse with the hinterland, and Guangdong Province and the hinterland have been supporting Shenzhen's development in various aspects. Over the past 5 years or so, the funds provided by the hinterland to Shenzhen have accounted for one-sixth of the total amount of investment in the special zone. Guangdong Province and the hinterland have also transferred a large number of qualified construction personnel and transported a lot of construction materials to the special zone. Now when the Shenzhen Special Economic Zone is "striving to

realize" its new goals, we feel it more important for Shenzhen to rely on the hinterland. Shenzhen has many advantages, but it lacks resources, its industrial foundation is weak, and its scientific research and technical force is not strong enough. Only by closely cooperating with the hinterland, developing each other's strong points and overcoming each other's weak points, and relying on the hinterland, will Shenzhen be able to develop more quickly. At the same time, this kind of cooperation is also an important channel for the hinterland to obtain economic information, import advanced foreign technologies, and learn advanced foreign management and administrative methods. Relying on the whole country and serving the whole country are the hope of the continuous prosperity of the special economic zone. Making use of the special economic zone and supporting the special economic zone are in the interests of the economic development of the hinterland.

There are broad prospects for the hinterland to develop cooperation in production technology, exchange information and commodities, and carry out cooperation in funds and qualified personnel and various other aspects with the special economic zone. As far as the cooperation in the production field is concerned, some of this cooperation can place their "heads" in the hinterland and their "tails" in Shenzhen, which means to make use of Shenzhen's advantage in knowing about the situation on the international market more quickly and exporting products more conveniently and flexibly to transport the raw materials, semiproducts, roughly finished products or traditional and famous-brand products, such as food and products of the hinterland's light and textile industries to Shenzhen, and then finish machining and wrapping these products according to the needs of the international market, and finally export them; however, some of this cooperation can place their "heads" in Shenzhen and their "tails" in the hinterland, which means to design, trial-produce, and develop some new products which are needed on the international market, in the special zone and then batch process them in the hinterland and finally organize them for export. The special zone and the hinterland can carry out various types of cooperation concerning technology and information. For example, the special zone and the hinterland can jointly organize a scientific and technical force to develop new technologies and new products. We must establish a perfect information system in the special zone so as to know about the situation on the international market and serve the whole country.

The contacts between Shenzhen and the hinterland must be established on the basis of equality and mutual benefit. Only when the two sides benefit from each other can this kind of contact be consolidated and developed. Our cadres in the special zone must modestly learn from the hinterland, respect and safeguard the hinterland's rights and interests in the special zone, make things easy for them, help them solve problems, and do a good job in our service work.

The special zone market is a component part of our country's unified socialist market. The special zone and the hinterland will naturally carry out extensive commodity exchanges, including the exchange of funds, technologies, and labor services. Without such exchanges, Shenzhen will be isolated from the hinterland and the realization of our purpose of establishing the special zone on a trial basis will be difficult. So, on the premise that most of the products of the special zone are exported and the balance of foreign exchange is

maintained, some of the products of the special zone should be allowed to be sold on the domestic market, especially those products which can be exchanged for technologies on the market and those products which can substitute for imported products. That the special zone maintains close economic contacts with the hinterland is not only necessary at the present stage of the development of the special zone, but will also be necessary even when the special zone has formed its own outward-oriented economy.

While stressing that the Shenzhen Special Economic Zone must rely on the whole country, serve the whole country, and develop normal economic contacts with the hinterland, we must continue to stick to the policy of "importing advanced foreign technologies," actively make use of foreign funds, import advanced technologies, and develop various types of economic cooperation with Hong Kong, Macao, and foreign countries. Our country's policy of opening up to the world and the policy of establishing the special economic zones will remain unchanged. And our country will be further opened up to the world in the future. We shall further establish and perfect the economic laws and regulations of the special economic zone, and further improve the investment environment. We continue to welcome all friendly countries, regions, and firms to invest in our special zone and establish various undertakings.

#### Stressing the Development of the Outward-Oriented Economy, Continuing To Develop Commerce, Tourism, and Tertiary Industry

During the initial period of its construction, it was correct and essential for the Shenzhen Special Economic Zone to stress the development of tertiary industry, including commerce, tourism, and real estate. In order to attract foreign investment and build various industrial projects, we must have certain investment conditions and create a good investment environment. In order to develop commerce and tourism, we must build a number of shops and hotels. The development of commerce and tourism can accumulate funds for the development of industry so as to stimulate the development of other trades. The rapid growth of the population demands we build a number of commodity residences. In the future, we will still stress the development of commerce and tourism so as to increase foreign exchange earnings as much as possible for the special zone.

In order to further carry out the construction of the special zone, at present, the Shenzhen Special Economic Zone should appropriately stress both the development of industries oriented toward the outside world and the establishment of a reasonable setup of production. This is a strategic question of utter importance to the construction of the Shenzhen Special Economic Zone.

It is very important to stress the development of industry, particularly the development of industries oriented toward the outside world. Only by establishing powerful industries oriented toward the outside world can the Shenzhen Special Economic Zone's role as the hub of the four windows and two sides of a fan be brought into real play. Without outward-oriented industries, it will be difficult for us to effectively import, digest, and absorb advanced foreign technologies and learn advanced foreign management and administrative methods, our products will not be able to enter the international market, and we will

not be able to have stable foreign exchange earnings and financial income. Only by stressing the development of industries oriented toward the outside world can we lay a solid foundation for the overall economic development of Shenzhen. Now Shenzhen has the preliminary conditions for the development of outward-oriented industries.

In developing industries oriented toward the outside world, the Shenzhen Special Economic Zone should first of all stress the adoption of advanced technologies, gradually organize and train its own contingent for scientific and technological development, and adopt through selection and in a planned way some advanced technologies. However, we should take into consideration our own capability in absorbing, digesting, and paying for this adoption of advanced technologies. At present, Shenzhen should stress the adoption of advanced technologies suitable for its development. At the same time, Shenzhen should raise the level of handicrafts and management so as to produce large quantities of products with competitive prices on the world market. In this way, we can save money and achieve practical results. Shenzhen is extremely good at exporting labor-intensive products which can earn foreign exchange, especially high-quality fresh and live commodities, so we must continue to attach great importance to this type of export.

As far as the structure of enterprises is concerned, we must stick to the policy of "being light, small, precise, and new," and build more small and medium-sized projects which need a small amount of investment and can produce quick economic results. We must be cautious in building big projects. We should not only stop building the "big and comprehensive" projects but also avoid building the "small and comprehensive" projects. We should arrange construction projects according to the principle of professional cooperation, and properly readjust the present structure of our enterprises.

At present, the major question in the development of the outward-oriented industries is to raise the enterprises' enthusiasm in earning foreign exchange. A general policy is that we must create conditions for the enterprises to become outward-oriented, which will also require us to give financial support to the enterprises. We should politically and economically encourage those enterprises which are strongly capable of earning foreign exchange, and make it convenient for the products of those enterprises to enter the world market. The key to the success of the Shenzhen Special Economic Zone lies in whether Shenzhen can get a firm foothold on the world market amidst the keen competition. We must make strenuous efforts in grasping this matter.

The development of industry does not discourage the development of tertiary industry which includes commerce, tourism, finance, information, and so on. Industry is the basis for the development of commerce, tourism, and so on; and at the same time, the development of commerce, tourism, and so on will greatly push forward the development of industry and the development of the overall economy. Without an advanced commercial network, the special zone's economy characterized by an outward-oriented economy would be unimaginable. The commercial network should mainly be outward-oriented, not inward-oriented, and should not avail itself of loopholes in the state policies. We must not

only stress industry but also pay attention to commerce. In the long run, Shenzhen should become a place "swarming with tens of thousands of kinds of commerce," and become our country's important base for foreign relations and trade.

#### Deal Well With the Relations Between Development and Consolidation and Generally Raise the Management Level of the Special Zone

The Shenzhen Special Economic Zone has developed very rapidly since it was established. According to statistics, between 1980 and 1984, the gross national product of the whole city enjoyed an average annual increase rate of 55.5 percent, the average annual industrial output value increased by 115.3 percent, and the labor productivity per worker in industry increased at an average annual rate of 40.55 percent. People often praise the Shenzhen Special Economic Zone by talking about the so-called "Shenzhen speed," and often cite a sentence which spread far and wide among the masses first in Shekou and then in Shenzhen, and which goes: "Time is money and efficiency is life." Since we are racing against time, we must pay attention to efficiency and maintain a high speed of development. In the future, the speed of the development of the Shenzhen Special Economic Zone should still be higher than that in the rest of the country so that the Shenzhen Special Economic Zone will further bring into play its advantages as a special zone.

At present, the outstanding question is dealing well with the relations between development and consolidation, and generally raising the management level and increasing the economic results of the special economic zone. We should understand that because, over the past few years, Shenzhen has developed rapidly and its construction scale has been very large, hundreds of professions and trades have sprung up in Shenzhen and people have swarmed into Shenzhen from all quarters, but we lacked experience in building a special economic zone, so some problems and contradictions have inevitably emerged and must be solved by us now. For example domestic and foreign economic relations need to be further smoothed out; the investment structure needs to be rationalized, credit controls need to be strengthened; the various laws, regulations, and systems need to be further established, completed, and perfected; and the question of urban population structure and the relevant policies and measures concerning this question need to be formulated, and so on. So, for a certain period in the future, it is necessary and beneficial for the Shenzhen Special Economic Zone to make strenuous efforts in doing the work of consolidation and improvement while maintaining a development speed which is higher than that in the hinterland. During this period, Shenzhen should continue to spend some funds and efforts on the construction of a number of projects, most of which are industrial projects (some of these projects which are presently under construction need to be completed). And at the same time, Shenzhen should do a great deal of detailed, solid, and arduous work, lay a good foundation, smooth out the relations in various aspects and make the best use of funds in order to develop more healthily.

How should we do well the work of consolidation and improvement? We think that Shenzhen should first of all strengthen its macroscopic and microscopic controls. Shenzhen must gradually set up a macroeconomic control system at

the level of the special economic zone, and in the meantime, must invigorate its microeconomy which should be subject to the macroscopic administration. And the macroscopic policies should conform with the needs of the invigoration of the microeconomy.

Macroscopically speaking, at present, we must first of all appropriately arrange the scope and increase the rate of investment in fixed assets, stick to the policy of acting according to our own capability, pay attention to investment benefits, and particularly properly readjust the investment structure. We should not have too much "flesh" and too few "bones" and become a "beauty with cartilage bones." And we should not have too little "flesh" and too many "bones" and suffer from "undernourishment," either. We should carry out a general check-up of the construction projects which have been approved by the higher authorities. What is more, we should have good control over foreign exchange and credit in renminbi, further perfect the foreign exchange administration system, further reform the financial structure, and perfect and strengthen the role of the central bank in the special zone. We should not only enable various specialized banks to flexibly operate but also enable the central bank to exercise effective control over them. Third, the Shenzhen Special Economic Zone must establish and perfect a series of statistical, auditorial, revenue, and examination and supervisory departments so as to control and supervise the economy of the special zone. Shenzhen must also establish a supervisory body according to its actual situation to supervise various economic activities and the situation in observing the law and discipline. Shenzhen should also establish an authoritative body to administer the overall city planning and construction in a unified way as soon as possible.

Microscopically speaking, Shenzhen should establish and perfect various rules and regulations, strengthen management administration, raise labor productivity, continue to train administrative personnel at various levels and improve the quality of administrative personnel and workers. Shenzhen is now particularly in need of a batch of qualified personnel who are specialized in technology, finance, law, foreign languages, and who are familiar with the situation in foreign countries, in its external economic activities, so as to avoid suffering losses and being cheated. Shenzhen must properly readjust the enterprises which have already been built according to the principle of professional distribution of labor. The special zone has achieved great successes in the reform of its labor salary system, and has provided experiences for the whole country in this respect. We must further perfect the reform in this respect, and not only implement the policy of distribution according to work, but also plug loopholes and prevent the excessively unfair and unreasonable situation in production and distribution. We must also carry out a resolute and unremitting struggle against various economic crimes, such as corruption, bribe-taking, and so on.

#### Deal Well With the Relations Between the Unified Policies and the Special Policies, and Further Carry Out Various Reforms

Correctly dealing with the relations between the unified policies implemented in the whole country and the special policies implemented in the special zone has always been a major question in the construction of the special zone.

The main premise in the overall work of the special zone is that the special zone must subject itself to the unified policies implemented in the whole country and the relevant regulations of Guangdong Province. The reason is that the special zone is part of the whole country, and the special zone market is also part of the unified market of the whole country. At present, the special zone is implementing special policies and flexible measures under the guidance of the unified policies of the whole country, so the special zone must be guided by the unified policies of the whole country and implement various relevant regulations. Because the special zone has a lot of flexibility, it should arrange and organize various kinds of economic activities by taking into consideration the overall situation in the whole country and subjecting itself to the unified policies of the whole country, otherwise some of the economic behavior of the special zone will have some sort of impact on the normal economic life of the whole country, and the comprehensive coordination of the macroeconomy of the special zone and the normal contacts between the market of the special zone and the unified market of the whole country will in turn be affected. This would be detrimental to the overall situation of our country and the development of the special zone itself.

At the same time, we must see that the joint venture enterprises with foreign and Chinese investment, cooperative enterprises, and enterprises with exclusive foreign investment occupy a very big proportion of the economy of the special zone, and the economy of the special zone is one characterized mainly by market coordination, and which will further develop into an economy oriented toward the outside world. So as a result, Shenzhen will surely strengthen its contacts with the world market. These facts are quite different from the economic activities in our country's hinterland. So, the special zone must stick to the principle of "doing a special thing in a special way." The reason the special zone is called "special" is that the special zone can implement some special policies and flexible measures under the guidance of the unified policies of the whole country. In other words, the special zone should be "exempted" from implementing some specific policies of the state. Without these "exemptions," the special zone would be the same as other parts of China. On the whole, the special policies of the special zone conform with the unified policies of the whole country and we must not set the two against each other.

Shenzhen must not only subject itself to the unified policies of the whole country, but also stick to the special policies of the special zone. To unify the two is a question we must frequently pay attention to and is also the difficult point in our work. The comrades working in the special zone should take into consideration the overall situation in our country and conscientiously implement the unified policies of the whole country. The relevant departments must show concern for the actual situation in the special zone and deal with the economic questions concerning the special zone in a different way. In this way, things will easily be done and our work will become easier.

One of the important aspects of the special policies of the special zone is that the CPC Central Committee and the State Council have given preferential

treatment and rights to the special zone in the following aspects: the import and export tariffs, the income tax on enterprises, import and export trade operations, the examination and approval of the use of foreign funds and import of foreign technologies, and so on. In the future, Shenzhen must continue to implement these special policies because a set of stable and continued special policies are the key to the continuous development and improvement of the special zone. The comrades working in the special zone should treasure these rights, appropriately implement these policies, and do detailed and solid work.

Another important aspect of the special policies implemented in the special zone is that the CPC Central Committee and the State Council have allowed the experiment of the structural reform to be carried out in the special zone, which means that the special zone can carry out the structural reform first and bring into play the market mechanism. This is of vital importance to the development of the special zone, and can be said to be the greatest "special policy." The flexibility and economic vitality and potentiality of the special zone are all closely linked with this greatest "special policy." So, we must fully understand and bring into play the role of this "special policy" and continue to carry out a wide-scale experiment in the reform of the economic structure in the special zone. We should also put forward new plans for the reform in a pioneering spirit, and sum up experiences in time so as to perfect those reform measures which have been implemented. We must first of all further carry out the policy of opening up to the outside world and the policy of invigorating the economy by centering on strengthening the vitality of the enterprises, and delegate more decision-making powers to the enterprises in various aspects, such as planning, goods and materials, circulation, funds, and so on. We must in turn carry out reforms of the government organs, the structure of the administrative departments of the enterprises, administrative programs, and so on. At the same time, in the special zone, we should gradually establish a complete set of advanced and sound information system, decisionmaking system, planning and coordinating system, and supervisory system, and use legal, economic and administrative measures to carry out well the macroscopic and microscopic administrations. All these will create a better environment for the economic development of the special zone, and at the same time, will explore new ways and accumulate experiences (including both successful and unsuccessful experiences) for the reform of the economic structure of the whole country. This is not only one of our purposes for establishing the special zone but also one of the special zone's important tasks in serving the whole country.

The key to the further development of the special zone lies in qualified personnel. We must have a large contingent of skillful workers, a large contingent of qualified personnel specialized in various professions, and especially a contingent of leading cadres with a strong party spirit, high policy standards, and sound professional knowledge. Our cadres must be good at learning and continue to improve their political and professional qualities. Our cadres should firmly establish the ideology of serving the people wholeheartedly, and have the lofty values of resisting and never surrendering to the corrosive influence of bourgeois ideology. We must continue to develop the spirit of "pioneers" and advocate doing things in an industrious

and thrifty manner. We believe that with the joint efforts of the broad masses of cadres and people, Shenzhen will be built into a socialist special economic zone with advanced science and technology, a rational production structure, a high production level, a high living standard, a high degree of material and spiritual civilizations, and one which is full of vitality in all fields.

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CSO: 4004/31

## THE PAST AND PRESENT OF THE U.S.-SOVIET ARMS RACE

Beijing RED FLAG in Chinese No 1, 1 Jan 86 pp 23-26

[Article by Qin Shui [6009 3055]]

[Text]

I

The U.S.-Soviet arms race involves a wide range of weapons. However, because of their decisive importance to U.S. and Soviet military strength, nuclear weapons, strategic nuclear weapons in particular, have always been a focus of this arms race. The nuclear arms race began with bombs carried by aircraft. At first, there were A-bombs only. And then, there were H-bombs. Later, carrier vehicles and ballistic missiles were also involved. In the early 1970's, the United States and the Soviet Union had more or less the same amount of offensive strategic nuclear weapons. In 1972, they signed a "U.S.-Soviet Provisional Agreement on Certain Measures for Limiting Offensive Strategic Arms." Their real intention was to "agree on" the shifting of the focus of the race from quantity to quality. In the 6 years or so between 1972 and 1979, the United States and the Soviet Union held talks in an attempt to replace the "provisional agreement." Finally, Carter and Brezhnev signed a "U.S.-Soviet Treaty on the Limitation of Offensive Strategic Arms." After Reagan was elected U.S. President, he refused to ratify this treaty on the grounds that it was disadvantageous to the United States. However, both the United States and the Soviet Union have indicated their willingness to observe the restrictions recommended in this treaty.

The protracted balance of offensive strategic nuclear strength between the United States and the Soviet Union has made it difficult for either country to achieve any major breakthroughs in a short time. The present development trend is that they are trying to improve the accuracy of their offensive strategic nuclear weapons and to enhance their survival capacities. For example, they are trying to make their missiles mobile and smaller in size and to reinforce their silos. However, the race involving these weapons has little room for development. Thus, in addition to developing and improving their offensive strategic nuclear weapons, they are also devoting efforts to developing space weapons. Observers of military affairs maintain that outer space is a "new vantage point" in future wars and that whoever has military supremacy in outer space will be the "victor" of future wars. The research into and development of space weapons by the United States and the Soviet Union has aroused serious worldwide concern.

It is now generally assumed that space weapons include antisatellite weapons and antiballistic missile weapons. The Soviet Union embarked on the development of antisatellite weapons earlier than the United States and it has conducted several experiments. However, the United States has also experimented with antisatellite weapons. At present, people are most concerned about anti-ballistic missile systems (hereinafter referred to as antimissile systems).

## II

Since the introduction of guided ballistic missiles, in addition to vigorously developing offensive guided ballistic missiles, the United States and the Soviet Union have also attempted to develop, experiment with, and deploy antimissile systems. Although there was more or less a balance of strategic nuclear strength between the United States and the Soviet Union in the early 1970's, the United States was better off with its MIRV's and guidance systems. U.S. thinking then was that if restrictions could be imposed on the development of antimissile systems, its offensive strategic nuclear weapons would be more effective as deterrents. At that point of the arms race, it was mainly the Soviet Union's offensive strategic nuclear weapons, but not its antimissile systems, that were inferior to those of the United States. If it could reach an agreement with the United States on the limitation of antimissile systems, the United States would be prevented from further developing antimissile systems and it could concentrate efforts on producing offensive strategic nuclear weapons superior to those of the United States. With their own interests in mind, the United States and the Soviet Union officially signed a permanent "Treaty on the Limitation of Antiballistic Missile Systems" on 26 May 1972. This treaty stipulates that: Both sides can each deploy one antimissile system in their capitals and one near each of their missile bases (later, the treaty was revised so that they were only allowed to deploy antimissile systems either in their capitals or near their missile bases). "Both sides undertake not to develop, experiment with, or deploy mobile antiballistic missile systems or their components in the sea, the air, or outer space or those based on land." However, this treaty does not explicitly inhibit them from conducting research related to antimissile systems. Rather, by giving the word "develop" a special definition, it leaves room for further development by both sides when they have the necessary conditions.

About 10 years after the signing of the treaty on the limitation of antiballistic missile systems, the United States openly raised a new proposal for developing a new antimissile system. This is the "strategic defense program" (which is commonly referred to as the "star wars program") mentioned by President Reagan in his speech on 23 March 1983. The United States holds that since the signing of this treaty, changes in the relative nuclear strength of the two countries that are unfavorable for the United States have taken place. In the 1970's, the Soviet Union scored remarkable success in developing offensive strategic nuclear weapons. For example, it achieved success in developing multiwarhead technology and in improving the accuracy of its guided missiles. Some U.S. military researchers suggested that all this constituted a threat to U.S. land-based ballistic guided missiles, which are one of the United States' major nuclear deterrents. To revamp

U.S. military strength and to improve the survival capacity of U.S. offensive strategic nuclear weapons, the Reagan administration, on the one hand, vigorously increased and improved U.S. offensive strategic nuclear weapons and devoted vigorous efforts to research and to developing strategic defense systems on the other. What the United States is now looking for is naturally not a rudimentary antimissile system, but a completely reliable and effective "shield" capable of strategically protecting the United States and its allies. In the United States, those who endorse the "strategic defense program" maintain that by relying on U.S. economic and technological superiority in developing strategic defense systems, the United States can gain both offensive and defensive strategic advantage. Furthermore, the U.S. proposal for the establishment of a strategic defense system also has political and economic significance in practice. If no agreement can be reached at the disarmament talks, the Soviet Union will have to shoulder the heavy economic burden imposed by a space arms race. In addition, research in this field and the development of strategic defense systems can give impetus to the development of new industries requiring military and space technology and to the development of some other civil industries. The United States now raises anew the issue of building new antimissile systems precisely because the development of its military technology has provided new prospects for building effective antimissile systems. In recent years, the United States has made remarkable progress in such areas as infrared detection, high energy lasers, and high capacity computers, thus laying a rather solid foundation for solving the technological and technical problems concerning strategic defense systems.

In building the strategic defense system, the U.S. idea is basically that it is going to count on a number of new weapons and to build a multilayered in-depth defense system with bases in outer space and on land. At present, the United States is developing a variety of interceptor weapons, which are mainly weapons using channeled energy and kinetic energy, such as chemical lasers, lasers generated by X-rays, free-electron lasers, particle beams, electromagnetic trajectory cannons, and so on. In order to make its defense system reliable and effective, the United States also needs to develop those types of technology which are required for detecting, tracking, and discriminating warheads, telecommunications technology, and those types of technology which are required in control and command and in protecting its antimissile systems. According to U.S. plans, in 5 years it will invest about \$26 billion in research and the development of such a system. The deployment cost of such a system is estimated at several hundred billion U.S. dollars. However, since estimations differ, it is at present difficult to tell which estimate is more accurate.

President Reagan's proposal for a "strategic defense system" has led to controversy in the United States. This controversy can be stated in terms of the following two problems: 1) The problem of the technological feasibility of the establishment of a completely reliable and effective strategic defense system. Those who are against it suggest that given the immense destructive power of modern nuclear weapons, an effective strategic defense system is only a myth and that even if only a few missiles manage to get through, the result would still be unbearably disastrous. Those who are for

it suggest that scientific and technological development has shown that a reliable and effective strategic defense system is technologically possible and that even if it could not be flawless, its efficiency could be such that it can defend the country and play its deterrent role by undermining the confidence of attackers. 2) The political consequences of building a strategic defense system. Will it aggravate the arms race and further destabilize U.S.-Soviet strategic relations, thus jeopardizing world peace? Those who are for it maintain that, with a strategic defense system, the United States can force the Soviet Union to agree to an enormous reduction in strategic nuclear arms and to base their bilateral strategic relations on the strategic principle of "jointly guaranteeing each other's survival." In this way, U.S.-Soviet relations can be more easily stabilized and world peace can be upheld. Those who are against this maintain that given the more or less balance of strategic strength between the United States and the Soviet Union, if the former builds a strategic defense system, it will have an offensive "sword" as well as a defensive "shield," thus inevitably forcing the Soviet Union to adopt countermeasures, aggravating the arms race, further destabilizing their strategic relations, and making the international situation even more tense. In addition, they also point out that even if it is possible to build a so-called strategic "defense" system, it is at present premature to foretell its performance and to suggest that it can only play a "defensive" role rather than an "offensive" role.

Some Western European countries have doubts about the "strategic defense program." Others are openly against it. They are mainly worried that it could weaken the strategic relations between the United States and Europe, aggravate the U.S.-Soviet arms race, and introduce greater tension between West Europe and the Soviet Union. If both the United States and the Soviet Union have strategic defense "shields," West Europe will be the first to suffer in the event of a crisis in East-West relations. The United States has repeatedly emphasized that its strategic defense system is also for protecting its allies and has invited them to participate in the relevant research work. Some Western European countries are going to participate conditionally. On the other hand, in order to independently develop space technology and other advanced types of technology, France has put forward the "Eureka" program, which has won praise and support from Western European and other countries.

In January 1985, the U.S. secretary of state and the Soviet foreign minister reached an agreement in Geneva on the goals and objects of the disarmament talks between the two countries. The talks, according to this agreement, are to cover strategic weapons, medium-range nuclear weapons, and space arms. As soon as the talks began, the two sides focused their debate on space arms. The Soviet Union raised strong objections to the U.S. "strategic defense program." The United States has always criticized the Soviet Union for its attitude regarding space arms, pointing out that at present, the Soviet Union is the only country in the world which possesses both antimissile systems and antisatellite weapons and that it is now developing its own strategic defense system.

According to Western sources, the antimissile systems deployed near Moscow are now being transformed into the SH-04 and SH-08 [as published] systems,

which are even more advanced. Some Western European military experts suggest that the Soviet Union began developing laser weapons earlier than the United States and that it has made very significant progress in this field. It is estimated that a large ground laser laboratory in Sary Shagan, which is situated near northern Lake Baikal, will in a few years be able to test prototypes of antisatellite laser weapons. Toward the end of this century, the Soviet Union will be able to have antisatellite laser weapons. These antisatellite laser weapons can be transformed into antiballistic missile laser weapons by making some modifications. The United States points out that the Soviet Union is building a gigantic radar in Krasnoyarsk, central Siberia, which is for detecting and tracking ballistic missiles and for advanced warning. Thus, this should also be counted as an antimissile system. Commenting on the issue of space arms, the Soviet leader admitted that "in the face of a threat from outer space," the Soviet Union will not sit with folded arms.

At the U.S.-Soviet arms talks, counting on its superior land-based ballistic missiles and taking advantage of the contradictions between the United States and Western European countries, the Soviet Union has tried to talk the United States into making concessions regarding space arms in exchange for Soviet reductions in nuclear weapons. However, the United States has repeatedly stated that it will absolutely not regard its "strategic defense program" as a counter at the talks. In addition, on the premise that its "strategic defense program" must not be impaired, it is trying to persuade the Soviet Union to make concessions regarding nuclear arms reduction. During his visit to France, CPSU General Secretary Gorbachev raised some suggestions on nuclear arms reduction. Shortly after that, the United States raised some counter-proposals. Although their proposals and counterproposals show some progress, they still cannot reach an agreement on some fundamental issues. For example, although they agree to a 50 percent nuclear arms reduction, they hold different views on the types of missiles to be reduced and on the question of whether or not space arms should be included. They are striving for a reduction in each other's superior missiles. Concerning the issue of space arms, their positions are even diametrically opposed.

Given the confrontation between the United States and the Soviet Union, unilateral deployment of strategic defense systems can lead to fundamental changes in their relative strategic strength. In the event of a crisis in their bilateral relations, the side with a strategic defense "shield" will be more likely to strike first. However, the other side will certainly adopt some countermeasures. For example, it can increase its stock of strategic nuclear arms and improve their quality, sabotage its enemy's strategic defense system during wars, speed up the development and deployment of its own strategic defense system, and develop anti-strategic defense system weapons. It can even simultaneously adopt any two or even all of the above countermeasures. In this way, the arms race will be accelerated.

### III

China is against the arms race and it has never participated in it. Last year, by announcing that it would reduce its army by 1 million men and

officers, it showed its sincere desire for disarmament and peace. China has always advocated a ban on all nuclear arms and their destruction. Its opinion is that the two major nuclear powers, which possess 95 percent of all nuclear arms in the world, should take the lead in seriously reducing their nuclear arms. When it tested its first A-bomb, China solemnly announced that whatever the circumstances, it would never be the first to use nuclear weapons. In addition, it also unconditionally promised not to use nuclear weapons against nonnuclear countries or to threaten them with nuclear attacks. The small number of nuclear weapons possessed by China are for its self-defense. At the United Nations, China has raised a series of constructive suggestions on the principles and measures for disarmament. Last year, at the 40th UN General Assembly, Foreign Minister Wu Xueqian raised another four suggestions on disarmament. One of his suggestions is that in order to lessen the danger of nuclear wars and to create conditions for eliminating the possibility of nuclear wars, all nuclear countries, the United States and the Soviet Union in particular, should undertake not to be the first to use nuclear weapons under any circumstances and unconditionally abstain from using nuclear weapons against nonnuclear countries and nonnuclear zones and from threatening them with nuclear attacks. On this basis, Wu Xueqian suggested, the world's nuclear countries can then conclude an international treaty banning the use of nuclear weapons. These suggestions recommend that, in order to prevent conventional wars in areas where there is a concentration of both conventional and nuclear arms from developing into nuclear wars, NATO and the Warsaw Pact, the world's two major military blocs, should reach an agreement without delay on an enormous reduction in conventional arms and that the 40 countries participating in the Geneva disarmament talks should fulfill their mission as early as possible by concluding a treaty on banning and destroying all chemical weapons. Prior to all this, all countries with the capacity for manufacturing and producing chemical weapons should stop testing, producing, transferring, and deploying chemical weapons and promise not to use them.

Regarding the issue of space arms, China's suggestions point out that since the outer space is the property of the entire human race, it should be used for peaceful ends and for benefiting mankind, that the United States and the Soviet Union should immediately put an end to all forms of space arms race, and that no country with space capacities should ever develop, test, or deploy space weapons but should conclude as soon as possible an international treaty on banning and destroying all space arms. In view of the fact that space technology is now being used by the superpowers for military ends, China's suggestions have even greater practical significance. At a meeting with former U.S. President Nixon, Comrade Deng Xiaoping said: "We are worried about the escalation of the arms race. We are against the arms race and the development of space weapons, no matter by whom."

The danger of a world war is still present. However, the forces for peace are growing. Given their task of national consolidation and development, the developing Third World countries are resolutely against wars and the arms race and they are unremittingly fighting for world peace. Having experienced two world wars, many members of the two military blocs in the East and the West do not want to be involved in another war. Thus, they are also a force

which prevents wars and upholds peace. Some medium and small countries in some parts of the world are also against the domination of the world by the superpowers and they call for efforts to uphold world peace. An increasing number of countries in the world have adopted a foreign policy of independence and keeping one's initiative in one's own hands. This is an important factor for world peace. The world's peace-loving peoples are also against the arms race and activities and movements aimed at countering the threat of a nuclear war are developing. All this has formed a force which upholds peace and which must not be ignored. China is devoting efforts to turning itself into a modernized socialist country and it needs a peaceful international environment. China neither associates itself with any superpower or bloc nor will become an ally of any superpower. China's foreign policy of independence and keeping its initiative in its own hands is favorable for upholding world peace and for preventing wars and is in the interest of world peace.

The global contention between the United States and the Soviet Union is in the United States' favor on some points and in the Soviet Union's favor on others. Basically, neither of them is willing to yield and there is a more or less balance of military strength between them. Although they can destroy each other with their nuclear strength, they have to take into account the disastrous consequences of a nuclear war. On the one hand, they are stepping up their war preparations and arms expansion. On the other hand, however, they also look forward to detente. People hope that the United States and the Soviet Union can both really abandon the policy of seeking military supremacy, be serious about their talks, and, without infringing on the interests of other countries, reach an agreement on a substantial arms reduction, on preventing the arms race from expanding to outer space, and on ending interference in regional conflicts at various hot spots, in order to relax the international situation. Of course, it would be unrealistic to place our hope for peace on their talks exclusively. So long as the peoples of all countries are united to try to stop the arms race, aggression, and expansionist activities, world peace can be upheld and the world will have a bright future.

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CSO: 4004/31

## LIN ZEXU'S HISTORICAL CONTRIBUTIONS

Beijing RED FLAG in Chinese No 1, 1 Jan 86 pp 27-30

[Article by Li Kan [2621 0170]]

[Text] As the 1830's turned to the 1840's, Chinese society entered a period of unprecedentedly great changes. The aggression of Western capitalism and the defeat in the Opium War forced China, which had had a feudal system for over 2,000 years, to bid farewell, in pain and humiliation, to the past. At that time, China faced an extreme situation: The strong ships and powerful guns, the opium, and the commodities of the Western capitalists had created an overbearing situation which threatened the Chinese nation's independent existence. Chinese feudal society itself, which was on the verge of "dying off," had lost virtually all of its life force. The completely new question which history put to the Chinese people was: In which direction was China to go? Only two choices presented themselves to the Chinese people: Either they could rise in resistance and struggle to catch up, which would require a new understanding of China and a new understanding of the world, or they could be conquered by the Western aggressors and be reduced to colonial slaves. The Chinese people chose the former avenue, which was naturally a difficult and tortuous road. The most advanced pioneer and developer of this avenue was the great patriot Lin Zexu.

Lin Zexu came into the modern political stage as a "graduate of the provincial examinations" who became "a senior official guarding the borders." Prior to the Opium War, he had been a compiler in the Hanlin Academy and an investigating censor at the capital, as well as a circuit intendent, provincial administration officer, superintendent of rivers, provincial governor, provincial viceroy, and other such high-level local official positions. In his official career and in official circles, Lin Zexu naturally came into contact with men of insight, but he more often saw, heard, and had contact with people who were only interested in their own salaries, and with corrupt and greedy officials. Officials were lifeless and stagnant and there was a social atmosphere of "10,000 horses standing mute." The officials lined their pockets through corruption, and their deceit resulted in official rule, irrigation works, river works, water transport, salt administration, and so on being subject to all sorts of abuses. This gave rise to scenes of ruin where production was languishing and finances were in straitened circumstances. Lin Zexu, through his spirit of honesty, uprightness, and personal

integrity and concern for the people's problems, as well as some measures he had taken to eliminate problems and improve matters, won the praise of the people. However, feudalism was in its incurable last days and a single Lin Zexu or even several Lin Zexu-type Qing officials could not save it.

It was at this critical time, when the Qing feudal rule was affected by all sorts of ills, that the overlord of the capitalists, England, used "trading" and smuggling means to continuously import into China that bloodless killer, opium. This resulted in a greater damage to society--a large flow of silver out of the country and serious worsening of the social atmosphere. Lin Zexu was a national hero whose brilliant patriotic achievements began with firmly prohibiting the pernicious influence of opium and leading China in the first Opium War against the English aggressors.

The Opium War was not only a "great change" both socially and politically, on a scale unprecedented in China's history, but was also a turning point where old ideas and culture were replaced by new. At this important historical juncture, not only were the old social systems and the feudal political forces, economic forces, and military forces subject to vigorous attacks and examination, but traditional ideas and culture as well as traditional concepts of morality and ethics were also rigorously challenged and tested.

Although he had a sincere belief in the study of "practical government," Lin Zexu never questioned the rationality and perpetuity of the feudal ethical code or the inviolability of the Confucian code of "peaceful rule through ordered relationships." However, the harsh reality was that the various tenets of "respecting heaven and following the ancestors" and "respecting Confucianism and valuing Daoism," on which the nation had all along been based, were not sufficient to combat the pernicious influence of a bit of opium, and that the "Heavenly Kingdom" which had all along been so "cultured and refined" and which had disdained the "foreigners" was now being threatened by the strong ships and powerful guns of the "English foreigners." The events pushed Lin Zexu to the forefront of the times to take on the task of bearing the past, opening the way to the future, and forging ahead.

Lin Zexu, through his own experiences in the struggle against foreign aggression, pushed his understanding of China and of the world to a new stage. Although his stand and viewpoints did not and could not exceed the bounds allowed by the traditional viewpoints of the literati and officialdom, feudal morality, and ethics, his great sense of responsibility to the state and to the nation brought into play the greatest abilities which a "senior official guarding the borders" in the feudal period could bring into play. He was an important initiator of the struggle for the independence of the nation and the strengthening of the country which lasted for over 100 years. Lin Zexu was not a thinker like Confucius, Dong Zhongshu, or even like Huang Zongxi or Wang Fu. However, his ideology, and especially his actions, played an important role and had great influence in the history of modern China.

Patriotism is the most important part of the political life of people in modern China. One of Lin Zexu's outstanding contributions was that, through the struggle to prohibit opium and oppose English aggression, he expanded and

developed the traditional idea of patriotism, which had previously always consisted of the narrow concept of "loyalty to the sovereign and gratitude to the country." He expanded and developed parochial relationships between the Han nationality and other nationalities within the country into a modern patriotism consisting of opposition to imperialist aggression and the safeguarding of the independence and dignity of the Chinese nation. He thereby gave patriotism completely new contents of the times which were more deep-going and which had greater significance. The enemy which Lin Zexu faced at that time was not various minority nationality rulers "spying on and seeking an opportunity to attack the central plain," but Western "English" invaders. It can be said that before he reached Guangzhou, he knew nothing or very little about the "English foreigners." He firmly believed that through the forces of justice and strong measures, it would be possible to completely ban opium and defeat the "English foreigners." After he had negotiated several times and had repeated disputes with the "English foreigners," he began to realize that simply using official denunciations employing righteousness and strong words, issuing official notices warning of consequences, obtaining certificates of signed undertakings, or even issuing orders cutting off trade was not going to bring them to submission. He saw that this greedy and crafty "England" had opened its great mouth, brandished its claws, shown its teeth, and violently attacked the "Heavenly Kingdom." Behind the opium, there were even more fearsome things--"the strong ships and the powerful guns." If he was to overcome the English aggressors, the only way was to resist with the force of arms. Because Lin Zexu was brave enough to face squarely up to the enemy's ambitions and strengths and to predict the inevitability of war, he was able to take preparatory measures in a timely way, such as setting up port defenses, adding gun batteries, increasing fire power, properly arranging the naval commanders, rooting out spies, and so on. These careful military deployments effectively blocked the English army's provocations. The Opium War by which Lin Zexu guided the opposition to English aggression was the prelude to China's nearly 100 years of national democratic revolution.

After the Opium War, there was no lack of Qing leaders and commanders who opposed the foreign aggression. However, there were very few people who could act as firmly determined in opposition as did Lin Zexu, or who had Lin's unbending patriotic will or were able to make such careful military deployments and provide such correct war commands as he did. Apart from a few outstanding individuals, the majority of them were of the following types: Before the war started, some spoke grandly and advocated war, while others reluctantly agreed that it was necessary to go to war. Once war broke out, some lost control while in command, while others feared the enemy and were routed. After the war was lost, they signed a treaty under duress by which they gave away land and agreed to compensation. After the deaths of commanders and loss of land, some made up all sorts of reasons and excuses for their actions, covering up their own deficiencies and lack of ability and shirking the responsibilities which they should have assumed. But Lin Zexu, regardless of the difficulties and obstruction he encountered or the setbacks he suffered, did not allow this to affect his spirit of opposing the enemy and protecting the country. Even though he suffered injustices and he was placed in dangerous and frustrating situations, he maintained his devoted faith in the country and the nation. When his successes were

considered crimes and he was discharged and prosecuted, he still sincerely advised the Daoguang emperor that he should not yield to the armed threats of the English, and he sorrowfully pointed out the dangers of a policy of compromise. He said: "We must understand that the foreigners are by nature insatiable. They obtain a little and then progress further. If we are not able to overcome them by force, then I fear the calamities will continue without end and we will end up in the same way as other countries. It is necessary to give this great thought." He then put forward a far-sighted proposal: "We should use the silver which is going to the foreigners to defend ourselves against the foreigners. We must seek to build the most powerful guns and the strongest ships." He also requested that Daoguang give him the opportunity to "go to Zhejiang Province where, bearing my crime, I can devote my efforts to this work." This fully manifested Lin Zexu's noble heart and high moral character whereby "if one devotes one's life to the benefit of the nation, how can one act only in accordance with personal interests." At the same time, this reflected an increase of the foreign aggressors and efforts to repel their aggression.

Another important historical contribution by Lin Zexu was his seek-truth-from-facts spirit and his breaking through the long-standing situation of ignorance which resulted from being closed to the outside world. He took the first steps for the Chinese people in understanding the world and in moving toward the outside world. The Opium War in which the English invaded China was the inevitable product of the external expansion of Western capitalism and the corruption of the Chinese feudal rulers. Right up to the eve of the war, the Chinese had almost no knowledge of the situation in the Western world. Not only were the emperor and his ministers completely ignorant, but the successive viceroys of Guangdong/Guangxi, who were based in Guangzhou, the only legal Chinese-foreign trading port, had never paid any attention to understanding the situation of the "English" who had come to China to trade. As for Bai Ling, Jiang Youxian, Li Hongbin, and Lu Kun, there is no need to say anything. Also, although the Confucian scholar Ruan Yuan occupied this post for 10 years, claimed to be a master of the classics, and had to deal with "foreign ship" incidents on several occasions, all he knew of the Western world were things such as "England is tens of thousands of li distant from Guangzhou," "Americans are the foreigners with the flowery flag," "Portugal was originally part of Spain but has been separated for many years," and such things. In contrast to the muddle-headed people who had filled the post previously, Lin Zexu began to pay attention to understanding "foreign matters" not long after he arrived in Guangzhou. He organized people to translate Western books and newspapers, compiled "Foreign Writings on Chinese Matters" and "An Account of the Four Continents," and became the "first person to look at the world with open eyes." Lin Zexu acted in this way not because he suddenly developed an interest in the Western world and not because he had an academic interest in it, but in accordance with the ancient maxim: "If you know yourself and know your enemy you will never suffer defeat in battle." It was also in response to the need to oppose foreign aggression. In Lin Zexu's time, there was universal confusion and ignorance about the general world situation, and it was considered that the "Heavenly Kingdom" in its rites, morality, and culture was surpassed by none. There was complete self-contentment in China's superiorities and there was revelling in

self-satisfaction. In such a situation, for a "senior official guarding the borders" who was also a "leader of the literati" to be translating Western books and investigating "foreign matters" was to risk universal condemnation and being accused of "using foreign ways to change the Chinese" or "treating foreigners as teachers." That is to say nothing of Qi Shan, who represented the compromising and capitulationist cliques, who used accusations such as this to maliciously ridicule and slander Lin Zexu. Even the Fujian-Zhejiang viceroy Yu Qian, who was firm in his opposition to the aggression and who gave his life for the country, promulgated an order which read: "All copies of foreign books and books on foreign matters are to be immediately destroyed. It is not permitted to transmit such books." It can be seen that, compared to other people of the same time and the same social standing, Lin Zexu in his wisdom, ideas, and practice was a man apart. Many people are aware of and commend Wei Yuan for his famous remark about "studying the foreigners' superior skills in order to control the foreigners," but actually, Lin Zexu's "Account of the Four Continents" came first, and only later came Wei Yuan's "Cartographic Account of the Maritime Nations." The "Cartographic Account of the Maritime Nations" resulted from Lin Zexu, at Zhenjiang on his journey into exile "to again perform meritoriously in Yili to atone for his crime," entrusting his work to his good friend Wei Yuan to complete. It can be seen that this famous remark by Wei Yuan and the advanced ideas reflected by it had their roots in Lin Zexu's ideas and experiences of struggle.

On the one hand, Lin Zexu was brave enough to face a strong enemy squarely, never shrinking in his determination to struggle; on the other hand, he paid much attention to the tactics of struggle. He did not agree with the method of totally cutting off trade with foreign countries as proposed by Zeng Wangyan, because he clearly recognized that "the policy of completely closing the country will both cut off the livelihood of all the foreigners and will restrict the sources of opium. However, if we can really gain control, we will be able to cut off a single country's trade. Cutting off the trade of all countries and considering individual cases on merit are very different things." He believed that if, uniformly, "we cut off the foreign ships from all countries in the same way as we cut off the English, then we will not be differentiating between the good and the evil. There is no basis for this." The result of such an action would be to cause the English, French, and other nations to "join together as one and engage in smuggling in league." He believed that even if the borders and markets were closed to trade, there was no way to prohibit the smuggling of opium on the vast ocean. "Stopping opium is not related to whether the borders are closed or otherwise." In this way, he firmly supported struggle and also paid attention to tactics. On the one hand, he stressed the actual situation, and on the other stressed the principle of weighing advantages and disadvantages. In the historical conditions of that time, such actions were an outstanding achievement.

Lin Zexu's ideology had another commendable aspect: During the struggle to prohibit opium and oppose aggression, as he faced extremely difficult and serious situations, he proposed that the "people's hearts be used" and the "people's strengths be relied on." This change from stressing power to stressing the "people's hearts" and the "people's strengths" did not mean that Lin Zexu's ruling class stand altered in any way. Actually, it was

brought about by the situation of struggle between ourselves and the enemy, especially by the nature of the major social contradictions at that time. First, the greatest threat to the Qing ruling organs was not "the people," but the English aggressors. These aggressors were the common enemy of the Chinese nation, including the emperor and the officials, the rich people, and the poor people. Apart from a small number of national degenerates, no one could be content with being enslaved by the "English foreigners." The contradiction between the Chinese nation and imperialism surpassed the class contradictions within the nation to become the major contradiction. Further, seen from Lin Zexu's subjective ideology, the statement he made had an ideological origin. He had absorbed from the traditional ideology of state administration the precept that "the people are the basis of the state. When the base is firm, the state is peaceful." This was an important guiding idea in his decision to become a Qing official. It was based on this idea that he was able, in his many years in local official posts, to concern himself with the hardships of the people. In handling all matters which concerned the state economy and the people's livelihood, such as disaster relief, reduced tax levies, river works, irrigation works, determining jail sentences, and so on, he was fair-minded and honest with a full understanding of the people's hardships. This is how, proceeding from maintaining the basic interests of the ruling class, he was to a certain degree able to link the "state" and the "people," and this was the basis on which he stressed the "people's hearts" and the "people's strengths." He was fully aware of the corruption within the Qing army, the mediocrity of its commanders, the inferiority of its equipment, and the laxity of army discipline. He knew how they had to depend on troops which had as their speciality harassing and harming the people, and completely outdated military weapons and equipment to deal with the "English foreigners" who bore down menacingly with their "strong ships and powerful guns." It was simple to guess the outcome. In addition, among those holding power there was an obstruction and interference of the forces who opted for compromise and surrender. In such a situation, all Lin Zexu was able to rely on, apart from a few colleagues such as Deng Tingzhen, Yi Liang, and Guan Tianpei, were the "people's hearts" and the "people's strengths."

From the time Lin Zexu died right up to the 4 May Movement, very few people noted the role and influence of Lin Zexu's ideology. The Westernization clique which appeared after him, including people such as Yi Xin, Zeng Guofan, Zuo Zongtan, Li Hongzhang, and so on, did not differ from Lin Zexu by saying that they wished to "study the foreigners' superior skills." However, the aim and contents of this study were clearly very different. For Lin Zexu and Wei Yuan, the basic aim of "studying the foreigners' superior skills" was to "control the foreigners." This contained no element of coming to terms with the "foreigners." Later, the Westernization clique initiated modern military industries and civilian industries. Although they also claimed to be "seeking strength and seeking prosperity," and at times also flaunted the "resist the foreigners" banner, their basic point of departure was "first pacify the country, then oppose the foreigners." Their "Westernization" was "borrowing from the West to assist in suppression." Also, after surrendering to the "foreigners," they acted on the basis of a petition for so-called "Chinese-foreign reconciliation." These "Westernization" leaders saw "Westernization

and new government" as their own great achievement. They did not acknowledge that, and, in fact, they were not the successors to Lin Zexu's cause. Of the senior officials in the Westernization clique, apart from Zuo Zongtang, who early on was deeply appreciative of Lin Zexu and who, in opposing Tsarist Russia's aggression and defending the motherland's northwest border, carried on Lin Zexu's cause, the others actually did not have Lin Zexu as the direct source of their ideologies.

As to the people in the bourgeois reformist clique and revolutionary clique, at the same time as they studied the West, some used the "three worlds idea" in "Spring and Autumn Annals--Account of Gong Yang," while others put a new face on Confucius, relied on the ancient past to change the political system, and engaged in reform activities. Still others sought ideological weapons in the theoretical doctrines from the Western bourgeois revolutionary period and engaged in bourgeois democratic revolutionary activities. Although they were not directly inspired and influenced by Lin Zexu, the cause of struggle against imperialist aggression which was initiated by Lin Zexu directly permeated the entire course of China's modern history. The heroic undertakings of the noble-minded people of the bourgeois reformist clique and revolutionary clique in seeking to save the country and invigorate China can all be said to have been continuing the cause of Lin Zexu. They were all using their lives and blood to continue the composition of chapter in history which was left uncompleted by Lin Zexu.

History is, in the end, fair. Two hundred years after the death of Lin Zexu [as published], the Chinese people who are struggling to realize the great goal of socialism are, with a sense of esteem and pride, commemorating this outstanding patriot and pioneer. This eloquently shows that only under the conditions where the Chinese nation has obtained independence and liberation and linked the basic theories of Marxism with the actual conditions in China, and persists in the scientific attitude of seeking truth from facts, will it be possible to gradually sweep away the accumulated dust and dirt of feudal ideology and overcome the naive ignorance which is divorced from history and which rejects all cultural legacies. In this way it will be possible to cause the Chinese nation's outstanding traditional culture to become a new spiritual force with new contents of the times in the new historical period.

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CSO: 4004/31

SUCCESSFUL TRAINING OF TEACHERS IS A MATTER OF PRIME IMPORTANCE TO THE DEVELOPMENT OF EDUCATION

Beijing RED FLAG in Chinese No 1, 1 Jan 86 pp 31-35

[Article by Wang Zhaodi [8076 0340 6167]; capitalized passages published in boldface]

[Text] Teacher training has now become the key to realizing the 9-year system of voluntary education and the improvement of education quality. In order to do a good job of teacher training at all levels, it is necessary to study and solve a whole series of intellectual and practical questions.

FIRST, WE MUST CLARIFY THE POSITION OF TEACHER TRAINING IN THE ENTIRE EDUCATIONAL SPHERE, AND GRASP IT AS A MATTER OF PRIME IMPORTANCE TO THE DEVELOPMENT OF EDUCATION.

The formidable task of socialist modernization requires great development in education, and the key to this is to create a sufficiently large and well-qualified body of teachers. Currently, our body of teachers is sadly lacking in both quantity and quality. From the point of view of the 9-year system of voluntary education put forward by the CPC Central Committee, to be carried out in regions and by stages, in order to achieve this important policy, it would require the addition of more than 1 million new primary school teachers during the period of the Seventh 5-Year Plan alone, along with 750,000 new lower middle school teachers. Meanwhile a considerable number of middle and primary school teachers are not yet up to nationally required standards. From the point of view of educational level alone, only 35.6 percent of middle school teachers have graduated from, or have completed 2 years of study at, institutes of higher education, while only 58.5 percent of primary school teachers are graduates of training middle school or higher middle schools. An important strategic measure in improving this situation is to give importance to teacher training, and to make great efforts to develop and strengthen it. Most of China's middle school teachers are taught at teacher training colleges of various levels, and the proper handling of teacher training is an important key to good basic education. When drawing up a plan for the development and reform of education, and mobilizing social forces to run schools, we should always concentrate on building up a body of teachers. However, the importance of this issue has not been wholly recognized; in some areas, teacher training has still not been given first priority in

education, to the extent that teacher training colleges are inferior to most ordinary schools, particularly key middle schools, in terms of both finances, equipment, and location. Teacher training is the "machine tools" of education; the people it trains are those who will go on to train others, and it should therefore have better conditions in terms of finances and equipment than ordinary schools. Putting teacher training in an important position means giving it the necessary guarantees in these aspects.

In order to raise the status of teacher training, it is necessary to adopt strong measures to raise the social status of middle and primary school teachers so as to attract more ambitious young people to devote themselves to the cause of education.

To do a good job of teacher training, in addition to a fine body of teachers, it is also necessary to have a fine source of students, so as to ensure the quality of future teachers. The CPC Central Committee's decisions on reforming the educational system put forward high demands in terms of standards for training. This increases the responsibility of teachers, and at the same time requires that they are of a higher standard. Therefore, teacher training colleges should enroll excellent students. However, over the past few years, the situation in student enrollment for these colleges has been by no means ideal; a considerable number of students are still unwilling to enter teacher training schools, while others, though they attend such schools, are unwilling to become teachers upon graduation. Data from one city shows that in 1984, of 62 teacher training students enrolled in the foreign language departments, two-thirds went into work other than teaching after graduation. In the same city, from 1979 to 1984, 1,153 middle school teachers moved to other posts outside the teaching sphere, and the vast majority of these were full-time backbone professionals. In 1985, only 10 percent of the graduates from a key teacher training college became middle school teachers on graduation. The reasons for this situation are manifold, but one important reason is that the work of a primary or middle school teacher is pretty tough, wages are rather low, and their diligence and hard work are often not sufficiently appreciated or respected; they have a low social status. In some areas, intellectuals have been reinstated, but school-teachers have still not been given their proper status right up until today. Precisely because of this, teacher training schools are not as popular as they should be, and therefore experience many difficulties in enrolling students and building up a stable body of teachers.

The work of a teacher represents basic work in opening up intellectual strength, creating talent, and improving the quality of the nation; it is complex, creative work. Teachers should have relatively good working and living conditions, in line with the arduousness of their work. We should, as the Central Committee's "Decisions" put forward, "adopt special measures to raise the social standing and treatment of middle, primary school, and kindergarten teachers." They should be given the political prestige and material benefits they deserve, making the work of a teacher the most genuinely respected and coveted work. This will play an important role in promoting the improvements of the social status of teaching and attracting more young people to the educational field.

SECOND, TEACHER TRAINING COLLEGES SHOULD MAINTAIN THE DIRECTION OF SERVING ELEMENTARY AND INTERMEDIATE EDUCATION, AND WORK HARD TO IMPROVE TEACHING SKILLS AND STANDARDS, BRINGING OUT THE SPECIAL QUALITIES OF TEACHER TRAINING.

Is teacher training ultimately subject to different laws than ordinary education? Is it necessary to have special schools to undertake the task of training teachers? Thinking on this has been by no means unified for a long time. The targets of education in teacher training colleges are teachers, and this in turn dictates that on the one hand (like other schools) it undertakes the task of teaching general scientific and cultural knowledge and related specialist subjects, and that, on the other hand, it also takes on the task of training in education itself; this is the special demand of the teaching profession. This, then creates the issue of "the nature of teacher training," and leads to a debate on the subject of "the nature of teacher training" and "the nature of academics." The correct handling of these two tasks represents an unavoidable and fundamental issue in the proper running of teacher training. It reflects the orientation of teacher training colleges and their guiding thinking.

On the issue of the special quality of teacher training, or what we have called "the nature of teacher training," controversy has raged continually throughout the history of educational development at home and abroad. From 1903, when it was decided that independent teacher training colleges would be set up, and they were gradually institutionalized, until before the revolution, there were three big debates. And since the liberation of the whole country, there has still been no unification of thought on the subject. One change has been that before liberation, the majority of dissent on the subject of having independent teacher training colleges came from outside the colleges, while following the revolution, the main resistance came from within the colleges. Some comrades consider that the stressing of the special quality of teacher training colleges, and their emphasis on "aiming at middle and primary schools," means that all of the syllabi and teaching content of teacher training colleges should be geared to the needs of middle and primary schools, and that the former will always be following behind the latter, with the inevitable result that academic standards in teacher training colleges will drop. Therefore, they say that the "nature of teacher training" is "backwardness," and propose that "looking toward university-type teaching" should be the slogan with which to guide teacher training reform. Some even believe that to be a teacher, all you need is some general and specialized knowledge, that there is no need to have specialized training in education, that there is no need for specialized colleges of teacher training to train teachers, and that the function of teacher training colleges can be taken over by ordinary schools. In my opinion, the essence of the "nature of teacher training" consists of serving basic education. It does not demand that teacher training colleges follow in the footsteps of middle and primary schools, or that it is okay for teacher training students simply to understand middle and primary school textbooks; on the contrary, it demands that teacher training actively walks in the forefront of middle and primary school education, takes the initiative in research and the solution of all sorts of problems arising during the process of development of education, and that it promotes and guides the better development and improvement of

middle and primary school education. Elementary education is a complex and systematized process, and taking on all the scientific research and teaching activities which it opens up is not only not a question of lowering standards, but on the contrary requires a very high level of academic ability.

Education has its own special laws. In order to make those involved in educational work understand and grasp these laws, and to work according to them, it is necessary to have teacher training. Teacher training colleges were not created simply by chance; they were produced by the need for a large number of specialized teachers to handle the massive growth in education during the capitalist era, and by people's broader and deeper understanding of the laws, principles, and methods of education. Their appearance and development were inevitable. China's existing teacher training system is also in line with the basic situation in the country, and meets China's economic and cultural needs. In the current new historical period, it will continue to represent the main form of training China's middle and primary school teachers.

Why should teachers go through training? As we know, a well-qualified middle or primary school teacher is the person who inspires a young person, a dynamic engineer of education, an artisan who creates talent. A teacher should have fine professional quality and become a specialist in elementary education. Meanwhile in order to become such a specialist, it is obviously first necessary to lay the basic foundations in specialist theory, and to have a good solid knowledge of science and culture. However, this is not enough on its own; there is also a need for specialized knowledge and ability in the spheres of educational science, psychology, biology, teaching methods, and so on. Education is both a science and an art, and should be studied at a high level. The possession of knowledge is one thing, but the transmission of that knowledge to others is quite another. In the process of transmitting knowledge, a teacher must not only let students grasp the knowledge and make it their own, he must also make them able, at the same time as studying knowledge, to learn how to think, how to acquire knowledge independently, and how to solve problems; this is no easy thing. It is by no means something you can do simply by understanding the contents of a middle or primary school textbook. Why is it that some people have a high level of education but do not teach well at all? The reason is that they neither understand the laws and characteristics of the development of knowledge at different stages of youth, nor do they have sufficient knowledge or capability in the sphere of education in itself. Moreover, the objects of a teacher's work are living people, they are young people in the process of growing up, and at the same time as transmitting knowledge to these young people, the teacher must also be aware of their moral and physical growth and health. In order to do this, teachers must have not only knowledge, but high ideological and moral standards, sufficient concern for others, enthusiasm for teaching, good organizational ability, and the capacity to cooperate with both the home, the school, and all spheres of society. This in turn requires that teachers are familiar with the biological and psychological characteristics of young people, that they can understand their thoughts and feelings, go deep into their hearts, be extremely sensitive to their strong points and traits of character, and bring them out, helping them to grow in a healthy and correct

way. Educational work is a special art concerned with the way people are molded. All the various sorts of knowledge, talents, skills and abilities required for this sort of creative labor are not things which come naturally without the aid of specialized training and hard practical work. The unique function of teacher training colleges is their ability to provide such specialized training, to transmit the relevant science and knowledge, that is, the knowledge necessary for future teaching and how to teach it, such that the teachers' work conforms to the objective laws of education and consequently achieves better results. The nurturing of professional qualities requires a special educational environment and atmosphere; just as studying a foreign language requires the right linguistic environment, so a teacher training college needs to be in close contact with middle and primary schools and all other educational institutes in society, so that from the first day they enter the special environment of the teacher training college, students come into contact with children, study them, nurture their will and enthusiasm for the cause of education, temper their talents, form correct educational thinking, and cultivate fine teaching styles. All of this is different from ordinary schools. We must consciously and determinedly carry out the demand put forward in the Central Committee's "Decisions" that "teacher training colleges should support the idea of serving elementary and middle school education."

Of course, the special characteristics of education cannot only be expressed in the training of educational specialists; they must be expressed also in the whole process of education, in all its aspects. For example, teacher training colleges should pay more attention than ordinary schools to specialized elementary courses, making them a sturdy basis for stable growth, and on this basis each student should develop his or her own particular talents. I am entirely in favor of some comrades' opinion that just like their own key schools, key teacher training universities should give play to their role as educational centers and scientific research centers, but such educational centers are centers for training in elementary education; such scientific research institutes are primarily centers for research into educational science. We cannot be unclear or muddled on this point, nor can we relax. We must have a correct understanding of the relationship between "teacher training" and "academics," and make teacher training colleges both maintain certain academic standards, and reflect the demands of teacher training, combining the two aspects organically and making them into a whole.

There are at present both theoretical and practical problems in education teaching; it is unable as yet to fulfill the demands of future teachers. There is not enough depth to educational science theory, and it is not sufficiently closely linked with the actual realities of middle and primary schools; and there also exists the problem of formalism in the practice of education. Certain contradictions also exist in current teaching programs, in terms of the layout of courses, teaching materials, and the distribution of teaching hours. To take higher institutes of teacher training as an example, current study plans still have politics, education, and specialist subjects stuck together but totally unconnected. The academic year is the same length as that of ordinary schools, and therefore many teacher training colleges have to squeeze together education courses and teaching practice;

things are almost too tight now to fulfill even the basic requirement for teachers. This, along with various other problems in teaching, means that many students do not have a stable footing in teaching methods, and are not willing to attend classes; in some schools the situation is so serious that terrible results are achieved, and the schools exist only nominally. It would seem, then, that a lot of work needs to be done to reform this situation. Before educational scientific research has developed to a certain stage, before the teaching structure has been reformed, and before appropriate solutions are found to solve these problems, it is possible to make partial adjustments to the situation. For example, once a student has completed the entire academic training course, he may be posted to a middle school where he teaches for a year, and at the same time acts as class chief. Once this period is up and he is certified by the school to have done the work properly, he is given a certificate of graduation, and formally graduates at this point. This will be of help in giving new teachers an overall education, and in making teacher training colleges examine their own teaching quality, linking their work closely with schools, researching questions of elementary education, and promoting improvement in their own work. In brief, there exist in teacher training certain ideological and methodological problems which are not in line with the development of education, and need reforming.

MOREOVER, THE KEY TO IMPROVING THE STANDARD OF TEACHER TRAINING LIES IN RAISING THE STANDARDS OF EDUCATIONAL SCIENCE. GREAT EFFORTS MUST BE MADE TO DEVELOP EDUCATIONAL SCIENCE RESEARCH, TO STRENGTHEN TEACHER TRAINING COURSE CONTENT, AND TO IMPROVE THE RESULTS OF TEACHER TRAINING.

The level of educational science directly dictates the level of teacher training. For a long time now, China's educational science research work has been backward; not only has it failed to receive the attention it deserves, but on the contrary, for a certain period of time, it was regarded as a bourgeois, revisionist thing and criticized and negated, such that it was extremely difficult for educational science research and experimentation to develop, which in turn brought massive losses to teacher training. If education is to enjoy healthy growth, it must do so according to the laws of education. And in order to do this, the guidance of educational science is vital. The same thing applies to educational reform; if good things are to be achieved, exploration through educational science research is vital to answer the various problems arising in the practice of education. Educational science is an important theoretical mainstay of educational development. Why is it that some comrades believe that as long as you have knowledge you can be a teacher? An important reason is that our educational science work is not yet advanced enough, and has not yet reached the stage where it can provide the right sort of guidance for education work, and because of this people have a one-sided view of what it takes to be a teacher. Therefore, in order to develop educational science, we must first raise people's awareness of the importance of educational science and its research work, and thoroughly reform the attitude of making light of educational science and thinking it entirely dispensable. It must be put in its proper place, and effective measures taken to guide, support, and develop it gradually. This is an important and fundamental task in doing a proper job of teacher training.

We must establish a large body of educational research. Higher institutes of teacher training are places with relatively concentrated scientific strength, and should use this advantage to build themselves into centers for educational science research. In addition to having specialized educational science researchers and teachers, we should also actively organize teaching specialists in all fields, and give play to their special knowledge, so that they can each conduct scientific research in their own special branch of education. At the same time, attention must be paid to soliciting experiences from middle and primary school teachers everywhere to be part of this research. Their practice is an unending and vital source of information for educational science. Hidden among them is a massive wealth of enthusiasm and potential for involvement in educational science research. Their participation and support over the last few years has invested educational science research work with gratifying vitality and dynamism. They constitute another important battalion in the fight. The development of educational science is ultimately built upon the teaching experiences and the general raising of the level of educational theory of ordinary teachers. Therefore, we must set our sights on the majority, and organize the maximum possible number of people to be scientific research workers, combine them with all the specialists, and form a new structure. In this way, China's educational science research troops will have a tremendous basic force behind them.

Educational science research must definitely uphold the principle of linking theory and practice, adhere to the principle of "using ancient things if they are useful" and "making use of foreign things if they apply to China," compare different research methods, diligently draw on experiences from the past and from abroad, and at the same time work very hard to seek out the major problems in China's education development and reform, and in a planned way organize and develop all sorts of long-term, systematic educational experience activities, using scientific methods, coming to conclusions on basic laws, and opening up a new situation in China's educational science field. This is an important way in which we can establish a system of educational theory with Chinese characteristics, and improve the academic level of teacher training. We must definitely achieve great results with which to prove that educational science is a rich and highly useful science, and thereby change the status of teacher training, and in turn attract more excellent young people willing to devote themselves to education. We must make sure that educational science plays a greater role in society and in training a new generation of people.

LAST, TEACHER TRAINING COLLEGES ARE THE PRODUCTS OF HISTORY, AND WITH THE DEVELOPMENT OF HISTORY, THE FORMS AND METHODS OF TEACHER TRAINING MUST DEVELOP ALSO.

In response to the nationwide development of China's economic system reform and the rise of the new technology revolution, China's educational system is currently undergoing overall reform in line with the spirit of the CPC Central Committee's decisions. The reform is bringing massive changes not only to the education system, but to the structure and other aspects of education. Therefore, the monolithic teacher training system, built on the basis of a monolithic general education system, must also be reformed. This sort of change requires not only that teacher training colleges base

themselves more firmly on the notion of serving elementary and intermediate education, change all aspects which are not in line with the needs of the four modernizations, and make teacher training colleges into sturdy base areas for the training of new teachers, but also that ordinary or high level specialized colleges fully exploit their potential and take up the responsibility of training teachers. We must broaden the channels for teacher training, set up and run teacher training schools on all levels and in all forms, and meet the needs of educational development. At present, there is a shortage of lower middle school teachers, and a serious problem of sub-standard teachers. Therefore, when developing teacher training, teaching specialists must be given the attention they deserve. But we must realize that in some areas, some old and experienced elementary teachers are given the post of "teaching specialist"; this both weakens the strength of middle school teachers, and makes it impossible for higher level schools to maintain quality due to a lack of teachers. The result is losses on all sides, and lessons must be learned from this.

If some institutes of higher education, vocational colleges or other schools take on the task of training teachers, the appropriate methods should be adopted, such as setting up a structure for specialized teacher training, setting up optional educational courses, developing specialized education courses and so on. In these aspects, teacher training colleges must give full play to their role, strengthen guidance and give the necessary help in teacher training courses, and at the same time actively develop educational science research along with these schools.

In the aspect of enrollment, some areas or schools, in order to solve the problem of where to find students, have adopted methods such as recommendations for admission, aiming at particular sorts of students, and so on. These methods have brought good results. On the issue of course structure, we must change the old situation of specialist subjects being too narrow and elementary subjects being too shallow. We must strengthen basic specialist training, and where conditions exist, experiment with systems of double honors degrees, or a major and a minor subject. Experiences should be summed up at intervals and methods improved. Conditions must be created for future work and further study for students, giving them more capabilities.

Teacher training colleges should be thoroughly advanced models of educational thinking and scientific teaching methods. This is not only because all the various sorts of specialists we need must all have the courage to open up new paths and create new things, and this spirit can only be nurtured under the guidance of highly advanced, modernized teaching methods; it is also because students at teacher training colleges will later on take up the work of training others, and the significance of giving them correct educational thinking and methods does not simply stop with them, but influences many other people. Therefore comrades involved in teaching at teacher training colleges should make higher demands; they must be fully aware of the significance of their reform of teaching content and methods, constantly raise their own standards, and be an example to their students in terms of teaching content, grasp of knowledge, training capability, behavior inside and outside the classroom, in theory and practice, in cultural and scientific knowledge and ideological education, in specialist training, and so on.

MAKE HARDY EFFORTS BUT MANEUVER SKILLFULLY--FRAGMENTARY THOUGHTS ON THE SUBJECT OF REFORM

Beijing RED FLAG in Chinese No 1, 1 Jan 86 pp 36-38

[Article by Chen Chong [7115 0394]]

[Text] "The subject of reform" is not a strict scientific concept, however, through usage, most people can understand roughly what it refers to.

One opinion is that literature is about people, and should not be categorized by subjects according to the background it depicts, such as agriculture, industry, the military, reform, and so on. I feel that this opinion is not without merit. As an author's knowledge becomes increasingly well-rounded and his creative experience (including his own experiences and those of the whole literary world) accumulate, he will produce more and more works which cannot be categorized as "such and such a subject." However, this latter sort of work is not too numerous as yet, and therefore, at least for the time being, the method of categorizing works under a certain subject has its uses. This article is using the "subject of reform" in this sense.

In the world of literary criticism today, most people recognize that reform is difficult to write about. That it is difficult is a fact. But we have yet to explore where exactly the difficulty lies.

Reform really is difficult to write about. If we look at the works which have already been produced, apart from a few particularly good works, the vast majority, including my own few poor efforts, are mostly rather disappointing, and very few of them are even passable. Perhaps in view of this, a new and highly fashionable view is that we should write about the reform not directly, but indirectly. I feel that there is some sense to suggesting that we write about it indirectly. In general, there is only one direct way, but numerous indirect ways, and the road is therefore wider. However, I do not support the view that therefore the direct way should be negated. The direct way should at least be seen as one of the ways.

I much favor one remark of Comrade Zhu Sujin: "Official portraits are always painted in full face." Though his remark was aimed at military literature, I think it is equally applicable to literature on the subject of reform.

In the past, there was a type of literature called "workshop literature" which was declared bad. However, the reason it annoyed people so much was not, I think, as some comrades would have it, simply because its subject was the "process of production." In my view, it was because this sort of thing simply forced the workshop, production, and so on into a subjectively created set formula. Precisely what is lacked was a description of labor done by living people and of living people doing labor. What we mean by labor here includes both mental and manual labor. We are not talking simply about machines, monotonous activity, boring discussions, the same thing on every page. In fact, the "process of production" is an extremely dynamic, creative activity, and not only creates material wealth, but also molds and dictates people's character, world view, concepts, psychological makeup, and interpersonal relations. We should not be so scared off by "workshop literature" that we completely condemn the practice of writing about labor and the living people who do it.

If we look at literary history, there are countless examples of works which are made more sturdy and their characters more typical through writing about labor or nonlabor professions. A prime example of this must be Balzac's "Popular Comedy." Again, Mao Dun's "Midnight" contains a large number of colorful descriptions of professional activities such as stock market speculation and factory management. Under the pens of certain contemporary Western authors, characters might simply be the manifestations or symbols of certain concepts or attitudes, but the interesting thing is that these characters are always given some profession with which to mark them out. From the point of view of politics and economics, the labor of laborers and the professional activities of nonlaborers are essentially different, but in literature, things are completely opposite.

Why is it, then, that when we write of reform today, we cannot write directly about reform itself?

There is also a foggy, unclear concept here; that of "process." Some comrades are of the opinion that the reason for the unpopularity of "workshop literature" was because it wrote about the "process of production," and the reason, similarly, why works on reform are not popular is because they write about the "process of reform." In fact, everything consists of a process, and without a process a thing cannot exist. Of course, literary creation cannot simply stick to process, especially superficial progress. However, what is, in my view, even more important is whether this "process" is real; whether it is simply a preset model, or a living drama acted out by real people under certain historical conditions.

Writing about the positive side of reform is indeed difficult, and the first step, that is, grasping the actual situation, and looking at the reform head-on, is perhaps even more difficult. The current reform is a revolution, and even if we leave aside the question of how to view this revolution correctly from a historical or national point of view, simply grasping the facts of the reform, and the millions of things going on within it, from theory to practice, is complex enough? In order to come to a correct understanding of the substance of the reform, we need a lot of knowledge, and so much

physical and spiritual work! Moreover, in order to see the overall situation we have to look from a higher plane, while to look at the experiences of everyday life we have to be profound and detailed in our observation. And the reform has only just begun; we have a long road ahead, and the problems and difficulties we will meet cannot possibly be clearly predicted today. The Central Committee has not even said we will cross the river; how are we to have the other side fixed clearly in our minds? However, if we have no basic idea or estimation of the whole reform, its present and future, how are we to dare to even lift our pens!

It is my view that faced with such a difficult situation, the only thing to do is to work hard regardless. There is no shortcut here. Even if we write about only one side of the reform, we cannot avoid hard work, because in order to write about one side you have to have in your mind the whole picture. Just as in war, even if we launch a surprise flank attack, we must have an overall understanding of the enemy's situation (frontal, flank, rank, and file, and so on), before we can choose properly which side to attack and win.

By no means is everybody willing to put in such great effort. At the same time there are indeed some authors who do not have the conditions or who are unsuited to doing such hard work. They have a perfect right to abandon the subject of reform altogether. Even if it can be said that the reform is currently permeating all aspects of contemporary life, we cannot say that reform is everything. At any rate, there is always the subject of history, and so on. These authors can give better play to their talents in other spheres, and make more valuable spiritual contributions; whatever sphere they work in, they will have to work hard; there is similarly no shortcut. They by no means look down on those colleagues who choose to write on the subject of reform.

But when creating works on the subject of reform, we must be ingenious. When writing about the negative side, it is naturally easier to be clever and successful; when writing about the positive side, it is all too easy to be too stolid, stagnant, and clumsy. Precisely because of this, we should pay more attention to ingenuity. Works must always be written to please the reader. When painting a full frontal, official portrait, it is similarly obligatory and possible to paint a natural, spirited, and beautiful picture; you cannot just turn out a mediocre work, some little sketch such as you might see on a monthly ticket.

Writing about a subject directly by no means precludes writing about it obliquely; indeed, it requires it; just as in war, a frontal attack requires backup from the flanks, and so on. This reasoning has been understood by many for a long time, and has been used in creative practice. However, it seems very few have used it in an ideal manner, and the rest make very dull reading. That will obviously not do. There are all sorts of problems to be looked into here. But I feel that perhaps even more important is the question of how to write directly in a more dynamic and interesting way. A work which addresses the issue of reform in a positive way will of course have this positive part as its mainstay, and if this part is written in a dull

and unintertesting way, it is very difficult to compensate for it in other parts of the book. When fighting a war, you cannot prepare for a frontal attack simply by relying purely on indiscriminate firepower, still less on "human sea" tactics; and you have to think up several alternative strategies. Of course, military generals are distillations of the wisdom of ordinary soldiers. If our authors, theorists, and essayists all give play to their own intelligence, and work together, they will be able to come up with many different strategies and models for how to write about the positive side.

It is, in my opinion, not an exaggeration to say that this is the difficulty which must be broken through in present reform literature, and is even the key to the ability of such literature to survive and grow. It is a fact that people are fed up with literature on the subject of reform. Even if all their complaints are not correct, the decisive factor is whether or not we are able to produce genuinely popular works, works which stand the test of readers and of time. To this end, the pressing task I see for myself is the phrase which has become a motto: work hard and concentrate on technique.

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CSO: 4004/31

## YOUNG PEOPLE SHOULD STUDY SOME HISTORY

Beijing RED FLAG in Chinese No 1, 1 Jan 86 pp 38-40

[Article by He Shu [0149 2118]]

[Text] If young people wish to raise their ideological consciousness, and improve their ability to differentiate between right and wrong so that they can become mature as quickly as possible, apart from the need to study Marxist theory, they also need to study some history, particularly modern Chinese history and Chinese revolutionary history.

It is possible that some people will say that young people are part of the present and the future, and that what exists at present and everything which will happen in the future are far more important than what happened in the past. They will ask why then do young people need to study history. Actually the present and future of human history are extensions of the patterns granted by the past, and what is recorded in history are the practical experiences of days gone by. In order to better understand the present and create a better future, we must understand and grasp these patterns and study and use these experiences. In respect of some practical questions, if we do not carry out historical analysis of past experiences, then our understanding will not be deep-going. For example, why do we say that Marxism is the theoretical basis for guiding our ideology? Can other ideological systems play the same role? Why do we say that only socialism can save China? Can China travel a different road, for example the capitalist road? If we understand these questions purely from practice, it will be far from sufficient and at times will result in our not seeing things clearly.

Modern Chinese history and Chinese revolutionary history can be said to be a history of China's most outstanding sons and daughters seeking, in an unbending way, the truth and the avenues necessary for saving the country and the people. Innumerable people with lofty ideals eagerly studied the West. For example, they studied Christian doctrines, the theory of evolution, and various types of radical and conservative bourgeois democratic ideological doctrines. These were all taken as truths to believe in. Constitutional monarchy, the establishment of bourgeois republics, using science to save the country, using education to save the country, using industry to save the country and other such methods and avenues were all considered and practiced. However, all were clearly shown by the development of history to be unworkable.

The sounds of the October Revolution brought a new dawn to the people of the world, and brightened the future for the Chinese revolution which had been floundering in the dark. Thus, Li Dazhao, Mao Zedong, Zhou Enlai, and many other radical democrats began to move toward studying the October Revolution and studying Marxism. They decided to travel the road shown by the Russian October Revolution, which resulted in the Chinese revolution seeing a basic change and entering a completely new historical stage.

This road of seeking truth was a long one and was full of difficulties and twists and turns. Through 70 or 80 years and 2 or 3 generations, innumerable revolutionary martyrs contributed their precious lives for this cause. Every young person who respects facts and thinks seriously will have no difficulty in concluding from this historical period the following: The writing of Marxism into the Constitution as the basic guiding ideology in the carrying out of our four modernizations is a conclusion reached through strict screening, testing, and verifying over 100 years of the Chinese nation's history. It is a scientific summation of historical experiences and is a truth for which earlier generations gave their blood so that people could understand. How can we not particularly cherish and keep in our hearts this verdict which was reached through such difficulties?

The ancient Roman statesman and writer Cicero once said: "If you do not know of the people in history before you were born, you will forever remain a child." Child here means that one will remain simple and naive. In terms of understanding, this is manifested as being unable to study questions historically and dialectically. For example, in old China, capitalism was not developed. Also, our socialist construction is experiencing difficulties. Can we thus say that we should first develop capitalism and later engage in socialism? Some people feel that this is a new viewpoint, but actually it is not new. Modern Chinese history and Chinese revolutionary history tell us that in old China, long ago there were people who advocated following the road of European and American capitalist society. There were also those who put forward the idea of first developing capitalism and later engaging in socialist revolution. The result was that neither of these ideas was workable. Considering that the capitalist road was not workable in old China, how then could we treat it today when we have already embarked on the socialist road? Also, there is the question that, if traveling the socialist road was historically inevitable, why is it that both in China and in the international communist movement, there have been so many twists and turns? As far as our country is concerned, our party has clearly made many mistakes in history. If we do not understand history, then these mistakes are difficult to comprehend. However, if we study China's revolutionary history and gain a clear understanding of cause and effect of these mistakes, the domestic and international situations, the conditions inside and outside the party, the subjective and objective conditions and the historical and current reasons and conditions, the mistakes will not appear strange. At the same time, we can understand from these facts that the revolution was extremely complicated and the revolutionary road could not be mapped out in a straight line. After something happens, it is necessary to seriously sum up the experience so that it can be used as a reference in the future. Our party through its struggle to continuously understand and correct its

mistakes is becoming more mature and stronger. At present, our party is carrying out overall reforms in order to promote the development of the productive forces and speed socialist construction. The achievements realized are obvious to all, while of course there have been some small mistakes made. This is not strange. In various senses, socialist revolution and construction are more complex and more arduous than the various tasks in the period of democratic revolution. As Comrade Hu Yaobang has said: "We are pushing forward along an uneven, rugged path. Above us are wind and rain, while beneath our feet are steep cliffs and dangerous slopes. We comrades are carrying all sorts of burdens and bear all sorts of wounds." The appearance of problems is not to be feared. What is to be feared is lacking a cool head and scientific analysis. It is hoped that young comrades will all be able to grasp some of the patterns of the development of things by studying history as in this way they will have a correct ideological method for understanding things.

The development of a country, of a nation, must rely first on its own strengths, but at the same time should draw on the strong points of other nations. Only in this way will development be hastened. As to how we can study the strong points of foreign nations without deviations occurring, modern Chinese history and Chinese revolutionary history has provided us with valuable lessons. In this 100-year period, saving the country was always linked with studying foreign countries. Lin Zexu, Wei Yuan, Hong Xiuquan, Yan Fu, Kang Youwei, and Sun Yat-sen represented those people who sought truth from the West before the CPC came into being. They began by studying the West's "strong ships and powerful guns," and continued by studying the West's ideological doctrines and political systems. Although these activities were not successful, their benefit lay in that they expanded the horizons of the Chinese people, so that people began to pay attention to the advanced things abroad. Neither the birth of the CPC nor the victory of the Chinese revolution can be divorced from the study of advanced experiences of foreign nations. History provides us with the irrefutable truth: Anyone who lacks a thorough understanding of China's own situation cannot effectively study foreign nations. In this 100-year history we can see the harm to the people's interests which resulted from closing the nation to intercourse and refusing to allow normal dealings with the outside world. We can also see that the ideology of the comprador capitalists who blindly worshipped the foreigners and felt that "everything is better abroad and even the moon is rounder abroad," greatly harmed the spirit of our nation. How can a situation be achieved where there is independence without the need to close the country; where it is possible to draw in foreign experiences, not to just copy from them; where we can see our own shortcomings and can open-mindedly study others' strong points, but which will not result in national nihilism; where we can look out at the world and can also study ourselves? In answer to all these questions, this period of history provides us with great enlightenment. Today, our nation has implemented the policy of opening to the outside world and advanced foreign science and technology and some progressive ideological concepts have received great attention from young people. But some people are unable to differentiate between the essence from the dross and they display a blindness in the areas they should be studying. Studying a little modern Chinese history and Chinese

revolutionary history will help us avoid some of the twists and turns which those who have gone before have had to travel.

History is a mirror and a deep-going textbook for life. Whoever concerns themselves with the youth of today and tomorrow, regardless of whether they are in the arts or sciences, and regardless of what they do, understanding a little history has great significance in opening horizons, enriching knowledge, correcting ideological methods, correctly understanding the situation in China and abroad and the various problems which arise, strengthening communist ideals and faith, and in better taking on one's historical mission. Of course this is not to say that after understanding history, one is able to answer all questions. The healthy development of youth requires study of practice, study of society, and study of all those outstanding achievements of mankind in the field of knowledge. We should not overstate the role of studying history, but one must study some history. Comrade Li Dazhao said that in the long river of history, if one does not observe the nature and trends of history, then the future will be vague and the past blurred. Then one will be in "the wilds of the oceans in a lonely boat, without any direction. Thus the study of history provides a basis for life. If one is to have a correct view of life, one must have a correct view of history." It is hoped that our youthful comrades will all seriously appreciate these words of Comrade Li Dazhao and will strengthen their mastery of modern Chinese history and Chinese revolutionary history so that it becomes an organic component of their knowledge and accomplishments. In this way they will be better able to master their own fates and in the long river of history will be able to surge forward.

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CSO: 4004/32

## IDEALS AND PATRIOTISM

Beijing RED FLAG in Chinese No 1, 1 Jan 86 pp 41-43

[Article by He Wei [0149 0787]]

[Text] Having ideals and being patriotic are deep-seated traditions of the Chinese nation. For several thousand years, in the process of the formation and development of the Chinese nation, the people of all nationalities, mainly the laborers, have worked hard on the motherland's soil and struggled through hardships and difficulties to realize their own liberation and the independence, prosperity, and power of the nation. In this struggle there have appeared innumerable outstanding personalities whose actions have moved us and who have shone throughout the ages, symbolizing the brilliant position of our nation in the world. After Marxism entered our nation and the CPC was founded, this tradition was given new substance. As we carry out socialist modernization today, we are faced with many new situations and new problems. However, ideals and patriotism continue as a spiritual prop which supports the whole society, and in the history-making activities of the various nationalities, these are enriched and developed.

In different historical periods, patriotism has had different specific contents. However, warmly loving the people of the motherland, warmly loving the mountains and rivers of the motherland, and warmly loving the material results and the spiritual, ideological, and cultural results created by the people of the motherland during the course of history; safeguarding the union and unity of the people of all nationalities and the unity of the nation; protecting the sovereignty and independence of the motherland; and carrying out a heroic and indomitable struggle against all reactionary forces obstructing historical development and social progress--putting effort into making a personal contribution in these respects is what constitutes the basic contents of patriotism. It is precisely these basic contents which constitute the brilliant, patriotic tradition of the Chinese people and the Chinese people's national disposition. They act as a unified yardstick of social morality. Patriotism on the one hand is a banner which has a huge appeal and unifying force and, at the same time, is the touchstone for testing the progressiveness, backwardness, or reactionary nature of all classes and levels, groups, and individuals. All those people who have used various ways to make contributions to the liberation of the people and to the independence, enrichment, and strengthening of the motherland should be

respected. Those actions by which people seek small, immediate profits without considering whether they will harm the righteous cause of the nation, should be subject to public and moral denunciation.

People must have ideals. Ideals determine the direction in which a person makes efforts, and to a great degree determine the path of a person's life and its value. If one sees one's own promotion and enrichment and an easy and enjoyable lifestyle as the aim of life, this, of course, can also be considered an "ideal." Einstein called such ideals "pig-sty ideals." Only if ideals closely link individuals with the fate of the motherland and the people can they motivate people to play a role in practice which conforms with the development of history. Thus, ideals are always closely linked with patriotism and always have patriotism as an important component. Also, patriotism is a type of ideal, an ideal which has specific historical contents and a wide social base. Patriotism which is divorced from ideals and ideals which are divorced from patriotism are equally inconceivable.

The highest ideal of communists is to realize communism. At the same time, they are the most steadfast and most ardent patriots. In realizing communism in different nations, different historical periods, and under different social conditions, they must proceed from the actual situation and go through various specific steps. As long as the nation exists, these steps mean manifesting, continually strengthening, and continually deepening patriotism. In modern times, many classes and parties in China have done this. Some are still making efforts for the progress of the motherland. Their contribution will be permanently inscribed in the hearts of the people. However, in this endless process, it is the Chinese proletariat and its political party, the CPC, which have made the greatest sacrifices and obtained the greatest results. CPC members have made mistakes, including the great mistake of the 10-year "Cultural Revolution." However, something the people all recognize is that the party, as a whole, has never made the mistake of forfeiting national integrity or selling the interests of the nation. The party, through generation after generation of heroic struggle involving much bloodshed, is always exploring how to combine the universal truths of Marxism-Leninism with China's actual conditions. It is continually correcting mistakes, expanding achievements, and realizing new victories. Communists who cherish long-range communist ideals and have their feet planted firmly on the ground are, through their practical actions of serving the people with all their heart, through their scientific guiding ideology, and through their valiant spirit of devotion to the cause, seen as vanguard troops of the proletariat and national heroes. Such people are trusted by all nationalities throughout the nation. The history of the CPC since its founding has been a history of fighting for the communist cause and a history of fulfilling patriotic responsibilities.

The development of society itself has put socialist modernization on the Chinese people's agenda. Building China into a modern socialist country with a high degree of culture and a high degree of democracy is a goal to be achieved under the guidance of the communist world view and by proceeding from China's actual situation. This is the inevitable road if we are to achieve communism and is the common aspiration of all Chinese people who

warmly love the motherland. Patriotism and communism will inevitably be unified through the practice of socialist modernization. Today the main contents of the patriotism of the people of all nationalities in our nation are the three major tasks put forward by Comrade Deng Xiaoping as a representative of the party Central Committee, namely: speeding up socialist modernization, realizing the peaceful reunification of the mainland and Taiwan, and opposing hegemonism and safeguarding world peace. The core of these three tasks is socialist modernization. Realizing the four modernizations and invigorating China are the central components of the patriotism of our nation's people at present and are also a centralized manifestation of the common ideals for which the people of our nation will struggle.

The vocations of people differ and their abilities are also different. However, as long as one uses one's brain or hands to serve the nation and does all one can in contributing wisdom and intelligence to the invigoration of China, then one will be worthy of the glorious name of patriot. The soldiers who are on the frontlines at Laoshan and Zheyinshan [5074 7113 1472], defending the motherland's sacred territory and not begrudging their blood or their lives, fully deserve the name patriots. They are naturally greatly respected by the people. In the same way, workers do their work, peasants plant their fields, students study and academics carry out research. There are divisions of work of all sorts, and all of them are irreplaceable organic links in socialist construction. They all add their strengths to building the prosperity of the nation.

Of course, mutual social ideals can include but cannot replace individual ideals. Social life is very diverse and the ideals of individuals are varied. We cannot and should not require uniformity. However, individual ideals must be based on reality and must be capable of realization; that is, they must accord with the laws of social development and accord with the demands of socialist construction. What is referred to as an "accord" here means that, on the one hand, they must share the fate of the motherland and, on the other hand, must be suited to the specific environment, level of education, and special skills of the individual. Two female workers of the National Textile Workers Ideals Lecture Group spoke well on this point. They said that it was very good for individuals to have ideals, but if the ideals were not linked with the interest of the motherland, the people, and the party, they will lose their brilliance. They also said that only by allowing ideals to inspire one to climb higher in one's work post will the ideals have meaning. Today our socialist motherland has created unprecedentedly good conditions for every citizen to realize his ideals, to give free play to his aspirations, and to repay the motherland through service. Cherishing high aspirations, being diligent and conscientious, not stirring up a hubbub, and seeking truth in work are common attributes of an inestimable number of patriots. Building one's village well, doing well in one's enterprise, school, organ, or company, and being proficient and doing well in one's work will enable one to achieve increased abilities in one's post. These abilities will thus play a glorious role in the socialist cause. In the noble and solemn cause of serving the motherland, every citizen is equal. The road for serving the motherland is laid below the feet of every citizen.

Some people say that China is poor and backward, and thus it is not possible to love it. There are even some who, for this reason, incline toward the temptations of Western capitalism. Under this type of ideological influence, in foreign dealings, various types of scandals and evil deeds occur when people do not consider national or human dignity, bring disgrace to the nation, and even unscrupulously harm the nation's interests for private gain. It must be recognized that China's poor and backward state is a result of the oppression of feudalism and bureaucrat-capitalism, and the aggression of capitalism and imperialism. Old China was poor and backward, and at that time the Chinese people were discriminated against and humiliated throughout the world. Today's youth have difficulty in imagining this. If poverty and backwardness are a reason for not loving the motherland, and such an ideology could be logically and morally justified, then the Northern Warlords' government which traitorously signed the "21 Demands" and the traitor and collaborator Wang Jingwei could both be forgiven. This would not be agreed to by any Chinese person who has even the slightest sense of patriotism. Since the Opium War in 1840, innumerable people with lofty ideals and revolutionary martyrs have tirelessly explored and continually struggled for the liberation of the motherland and the independence of the nation. They recognized that capitalism could not save China, and then found that socialism was the only avenue for rescuing the motherland. Only thus have we realized today's unity of the motherland and achieved initial prosperity and a decisive international position. This noble spirit of patriotism is far more valuable than any amount of money and more holy and pure than any amount of sumptuous enjoyment by individuals. Of course, our patriotism is not parochial nationalism, but, rather, is joined and united with proletarian internationalism. We must firmly oppose the mentality of blindly worshiping foreign things and strengthen national self-respect. At the same time, we must persist in opening to the outside world and make efforts to study the superiorities and advantages of other nations. If we take parochial nationalism and blind opposition to everything foreign as our patriotism, it will be undesirable.

Every inch of land in our 9.6 million square kilometer motherland is soaked with the sweat from our ancestors' arduous labor, and every page of our nation's recent history bears the bloodstains of the struggles and sacrifices of the revolutionary martyrs. Continuing and developing the great tradition of patriotism, finding one's place, establishing one's ideals, and giving one's all in the cause of socialist modernization are the glorious responsibilities and obligations of every citizen of the PRC. We must cause this sense of responsibility and sense of obligation to enter the hearts of 1 billion people so that in the vastness of the motherland, through the development of the socialist cause, it takes deep root and becomes a vast spiritual force for invigorating China.

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CSO: 4004/31

WHY DO PEOPLE FEEL IN SOME WAYS THAT THE MAGNITUDE OF WAGE INCREASES IS INCONGRUOUS WITH REAL LIFE?

Beijing RED FLAG in Chinese No 1, 1 Jan 86 pp 43-44

[Article by Qiu Xiaohua [6726 0879 5478]]

[Text] Some comrades have asked how the figures which show that the total national wages have, after deducting the factor of price increase, increased by about 50 percent and that the average wages have increased by 20 percent during the past 5 years, as disclosed by the CPC Central Committee in its proposals on the Seventh 5-Year Plan, were calculated? Why do people feel in some ways that the magnitude of wage increases is incongruous with real life?

According to the current statistical system of the State Statistical Bureau, total wages refer to the total amount of remuneration collected by staff and workers (including permanent, contract and other types of staff and workers) from their enterprises, institutions and organizations within a specific period of time (be it annual, quarterly or daily). At present, total wages include hourly wages, basic wages, duty wages, piece-rate wages, bonuses, allowances, overtime pay and any other prescribed forms of remuneration (e.g., reserve wages, supplementary wages and back pay).

Wages are a major source of income for staff and workers and their families. They are usually paid in the form of money. The living standard of the staff and workers is closely related to their income, family burden and market prices. It is necessary to eliminate the effect of inflation if we want to accurately reflect the actual income level. In actual calculating, people always use the price index for staff and workers' cost of living to reflect the influence of the fluctuation of market prices on the income of staff and workers.

The price index for the staff and workers' cost of living is one which reflects the price changes experienced by urban and township staff and workers while purchasing consumer goods and services. It also reflects the degree of influence of such price changes on the staff and workers' cost of living. The method of weighted arithmetic mean is used to calculate the index, the weight being the ratio between the urban and township retail price index and the urban and township residents' volume of retail commodities, and

the ratio between the services price index and the volume of transactions in the service trade.

Every year the State Statistical Bureau releases the figures of the total wages and the staff and workers' cost of living and price index. With such figures, we are able to calculate the growth of the total wages and the actual growth of wages after deducting the price factor. I am going to take the figures of the Sixth 5-Year Plan, as disclosed in the CPC Central Committee's proposals on the Seventh 5-Year Plan, for illustration.

In 1980 the national total wages reached 77.3 billion yuan. The total wages in 1985 are expected to be 183.7 percent of those in 1980. The staff and workers' cost of living and price index in 1985 is expected to be 122.5 percent of that in 1980. The growth of the total wages is:

$$183.7 \text{ percent} \div 122.5 \text{ percent} - 100 = 49.9 \text{ percent}$$

In other words, the total wages in 1985 have increased by nearly 50 percent as against 1980.

As the total wages include the growth of number of workers, it is necessary to calculate the average money wages if we want to accurately reflect the level of wages. In other words, we have to divide the total wages by the total number of staff and workers. In 1980 the average money wages were 762 yuan. The average money wages in 1985 are expected to be 150 percent of those in 1980. The actual growth of average wages after deducting the price factor is as follows:

$$150 \text{ percent} \div 122.5 \text{ percent} - 100 = 22.4 \text{ percent}$$

In other words, the average wages in 1985 have, after deducting the price factor, increased by more than 20 percent as against 1980.

Why is it that people feel in some ways that the magnitude of wage increases is incongruous with real life?

Those who have this feeling are unclear about the following two things. First, the calculation of the price index. At present, we adopt the worldwide and scientific random sampling in calculating the retail price index. The State Statistical Bureau has picked 7,000-odd shops and trading markets in 183 cities and countries for survey. It has also picked 325 representative types of commodities. In calculating the staff and workers' cost of living and price index, it has picked not only the above commodities but some service items. The number of types of commodities and that of service items add up to a total of around 500.

The national price index is the weighted average of retail prices in different localities. So far as the entire nation is concerned, prices vary from one locality to another. The price index is not based on the prices on one day; it is based on the average price of all localities and commodity channels in the country within a period. So far as the scope of commodities

is concerned, it includes commodities whose prices are rising, falling or even stagnant. One will easily get confused if he uses his subjectivity or prices on one single day or the price change in one or a few commodities to assess the entire price level. Furthermore, the composite price index covers various groups of commodities. In other words, apart from the composite price index, we also have indices of groups of commodities and indices of individual commodities. Some indices may go up and some may go down. They often offset one another. For instance, the prices for food and cooking oil basically remain stable. The prices for domestic electric appliances, plastic products and chemical fiber clothing are falling. The prices for nonstaple food which we consume daily are, however, going up. So are the prices for commodities whose prices have been readjusted by the state (e.g., books and newspapers). Such rises and drops affect the composite price index. For instance, the national retail price index and the nonstaple food price index in 1984 went up by 17.7 percent and 44.6 percent respectively when compared with those in 1978. However, as the retail volume of nonstaple food only made up a quarter of the total volume of commodity consumption by urban and township residents, the magnitude of influence on the composite price index was only 10.7 percent.

Second, people are unclear about the factors affecting the total wages. The increases of total wages involve the increases of the number of workers, wage readjustments, promotions, confirmations of acting appointments, increases of bonuses, additional wages for overfulfillments of piece-rate work, increases of allowances and other factors. If the number of employed workers in a locality or family increases within a period, the amount of wages will also increase. The amount of wages is also affected by other factors. All the factors will be taken into account when the total national wages are calculated. According to preliminary calculation, during the Sixth 5-Year Plan the increases of the number of workers made up one-fifth of the increased amount of wages, increases of bonuses, one-fifth, wage readjustments, promotions and confirmations of acting appointments, nearly one-half. A discrepancy may arise if we use the overall situation to assess a certain locality or family.

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A TENTATIVE DISCUSSION OF OUR UNDERSTANDING OF 'BASIC PROBLEMS OF CHINA'S SOCIALIST CONSTRUCTION'

Beijing RED FLAG in Chinese No 1, 1 Jan 86 pp 45-46

[Article by the Marxism-Leninism Teaching and Research Office of Fudan University]

[Text] Since the founding of the country, Fudan University and its fellow institutes of higher education have opened up Marxist theory classes in all departments and disciplines. This has played an extremely important part in our school's support of the socialist orientation and its cultivation of socialist people who are both Red and expert. Students are interested in classes on Marxist theory; in their opinion, the classes not only make them understand the laws of social development, improve their awareness of the party and its policies, and establish a revolutionary view of life, but also they are able to study scientific methods of thinking and working. However, over the last few years a considerable number of students have become much less interested in Marxist theory courses. From the point of view of teaching, the main reason is that course content has not kept up with the developing situation and changes in historical conditions, to the extent that, to a greater or lesser degree, courses have become divorced from the developments of the age and the realities of the students' thinking. After the CPC Central Committee put forward the task of reforming classes in Marxist theory, the university's leaders conducted diligent research, and decided to immediately take action to effect this reform.

Our reform started with creating the course "Basic Problems of China's Socialist Construction." This is a course full of realism and fine ideology. It brings students to an understanding of why we are carrying out socialism, what Chinese socialist construction is, what its basic problems are, wherein lies the great significance of our current modernization and system reform, and what the responsibilities of today's youth consist of. In this way, we instill the ambition to devote oneself to the cause of building socialism with Chinese characteristics. The creation of this course is of benefit to overcoming problems which exist in our teaching at present.

In September 1984 we set to work composing teaching materials, and in the first half of 1985 selected the first year to try them out. When organizing teaching, we paid particular attention to the following points:

First, taking the students' actual thinking as a starting point, we concentrated on analyzing the major problems of socialist construction from a theoretical point of view, raising the students' understanding of the party's policies. The students want the teacher to be able to answer their ideological doubts in class. Therefore, in teaching one must first take into consideration the problems which most concern university students. For example, because they lack knowledge of history and personal experience of the old society, some students often ask: "Why must China walk the socialist road? Surely the capitalist road would be better?" When teaching the first chapter of "Basic Problems of China's Socialist Construction," we concentrated on this question, and put forward the statement that "modern China can only be a socialist China." We interpreted it from many different angles. First, we showed how it would be impossible to walk the old road of Western capitalism due to historical realities and so on. Then we explained that the only inevitable road for modern China was the new democratic revolution followed by socialism and that only socialism can save China. Following this, we answered the question, since the old form of Western capitalism is no good for China, why must we still study the advanced experiences of the West, and the question, why today are the individual economy and other nonsocialist economies allowed, how to regard the "one country, two systems," and so on. When teaching Chapter 9, "Without Democracy There Is No Socialism," we summed up the scanty knowledge of some students concerning disruptions of public peace and order, and analyzed the implications and essence of democracy, along with how to view socialist democracy. When teaching Chapter 10, "Uphold the Leadership of the Party and Improve It," we linked up with an attitude among students that "Western countries do not have communist party leaders, but still manage to modernize," and analyzed the differences between socialist modernization and capitalist modernization, brought out the significance, characteristics, and political life of a party in power, and thereby clarified why our modernization must support the leadership of the party. In the course of discussing these problems, we discovered that the ideological problems of the students are often directly connected with lack of awareness of the principles and policies of party and state, while the source of this imperfect awareness is precisely a lack of basic theoretical knowledge; as long as we respond to the attitudes of the students, and transmit and explain the basic theories of Marxism, managing to clarify reasoning and explain the essence of things, we can make them change their attitude that "not studying theory is no disadvantage, and studying it is no advantage," and instead making them feel inspired by the study of Marxism-Leninism.

Second, attention is paid to building up and renewing teaching content, and working hard to reflect the new results and concepts of Marxism as it evolves. Today's university students are thirsty for new knowledge, and if we fail to renew teaching content, we will not be able to attract their interest, nor satisfy their demands. Therefore, when teaching Chapter 3, "The Basic Task of Socialism Is To Develop the Forces of Production," we not only introduced Marxist theory concerning the forces of production, explained the importance of science and technology to the development of the forces of production, and explained the objective laws of this development; we also gave the appropriate introduction to certain contemporary international theories concerning economic and social development, such as "production force economics," "the

theory of economic growth," "the theory of industrial structure," "the theory of technological transfer," and so on. When teaching Chapters 5 and 6, "Establish a Socialist Economic System Full of Life," we explained the system reform from a theoretical point of view, and at the same time systematically explained the Marxist theories concerning the commodity economy, and concentrated on explaining that the socialist economy is a planned commodity economy, the relations between the planned economy and the commodity economy, and thereby helped the students to understand the great developments made by our party in theory and practice to Marxist political economics and scientific socialism. When teaching Chapter 8, "Socialist Ideological Construction," we not only analyzed the issue of lifestyle having to conform to the demands of building socialist spiritual civilization; we also gave an account of the newest results of recent research by Chinese and foreign Marxists on socialist lifestyles. Students were satisfied by this. One student said: "This course lets us learn a lot of new things, and some concepts and data are also really new; this means we learn about first principles, and also understand the orientation of today's economic system reform."

Third, uphold the spirit of seeking truth from facts, and make students understand that socialism is a new thing which is constantly exploring and advancing in the process of practice. When teaching the chapter about the superiority of socialism, we not only discussed the advantages of the socialist system which have been made obvious by the massive changes in our political, economic, ideological, and cultural lives since the founding of the country, but at the same time pointed out that, due to historical, political, ideological, and economic reasons, these advantages have not yet been brought fully into play. When discussing the economic system reform, we both analyzed various models on the international scene, and explained the problems which arose in China's previous economic system reforms, especially in the price and wage systems. In addition to pointing out the destruction wrought by Lin Biao and the "gang of four," we also analyzed certain problems in current life, and pragmatically explained problems which have occurred in our work due to lack of experience, and pointed out the necessity and urgency of reforming China's economic system. In this way, we let the students become aware that our knowledge of socialism is not yet perfect, and needs further development. On certain rather sensitive issues in society, as long as we try our best, we can discuss them in a detailed way from both a theoretical and practical point of view. On questions such as individual households, hired workers, prices, and so on, when discussing them in class we all raised our own points of view and debated the issues with the students. In this way, the students found them easier to accept, and we were able to inspire them to study Marxism and China's realities. The students said: "This course is more realistic, and has a personal feel to it. It aims at basic problems and issues we often come up against in daily life, and helps us solve a lot of problems that used to be vague or that we didn't understand. Now, when we start work, we will have a better understanding of the party's principles and policies and have a firm theoretical and ideological basis to work from."

We have discussed the first experiences of teaching "Basic Problems of China's Socialist Construction." These experiences are of course new and

not mature. We must continue to carry out experiments. We are determined to study and carry out the Central Committee's circular on reforming school courses on ideological, moral, and political theory, and to work hard to do a good job of reforming our Marxist theory teaching work.

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## A HEART-STIRRING APPLICATION FOR PARTY MEMBERSHIP

Beijing RED FLAG in Chinese No 1, 1 Jan 86 p 47

[Article by Yin Zheng [1438 4620]]

[Text] The year 1985 has gone and during which I have seen and heard a lot of things, some of which are indelible. If asked which is the most heart-stirring thing, I would say it is Sheng Qishun's application for party membership.

At first, the Laoshan frontline hero thought that it made no difference to him whether he joined the party or not. During the fierce struggle in defending his sacred motherland, he was moved by many Communist Party members who vied with one another in carrying out dangerous missions and some of whom even sacrificed their lives. He requested his superiors to assign him the same missions. He was, however, rejected. Why? Because he was not a Communist Party member! He, in his youth, was so perturbed that he wrote the following sincere and serious application for party membership:

"I am not a party member. The platoon leader does not assign any difficult missions to me. He always assigns them to party members and those whose performance is remarkable. In view of this, I want to join the party."

"I am neither a party member nor an object for development. I will never have any difficult assignments. It is really heartbreaking.... I have made up my mind to join the party to get more difficult assignments and contribute more to the party."

I inadvertently heard his above speech on television. It struck me at once. Later, in his recording I heard him speak the same piece and I was moved to tears.

In Sheng Qishun's application one can see no grand words or systematic cognition. The unrefined words of this ordinary warrior have, however, revealed a major truth: The party units and members of the frontline forces have set a good example and all the difficult tasks are assigned to party members who are bold to take up the burden. Sheng Qishun has come to know the true meaning of being a party member. One joins the party because he wants to take up difficult work. A party member has to meet his challenge.

In the past, we stressed that a party member should be a model of "fearing neither hardship nor death." Later, some derided it as an outmoded cliche. It is true that it is a cliche, but not an outmoded one. In fact, in our socialist cause we need cliches of this kind. Sheng Qishun's application for party membership has reminded us of such cliches. It is evident that his words and action have created a great impact in the country.

It is beyond doubt that we are and will be confronted with many difficulties while carrying out our modernization plans. We have to overcome all existing difficulties and make our way. Some comrades always like to say that it is hard to get things done in China. In fact, there will be no difficulty we cannot overcome if all of us are one-hearted and share the same spirit and make a concerted effort. The key is that Communist Party members should take the lead to have the spirit of "fearing neither hardship nor death." What we have are not 10 or 100 Communist Party members, but 40 million, making up 4 percent of the population. If all Communist Party members share the same spirit of joining the party for the purpose of taking up difficult work and if they stick to their original goal after joining the party, set a good example and take the lead to move and encourage the masses of the people, can we not make a concerted effort? Is there anything we cannot achieve? We should still stick to these cliches. However, it is natural that we should enrich these cliches while using them. The spirit of "fearing neither hardship nor death" should take a new form in this new era. Frontline party members should be courageous and should sacrifice their own interests for the sake of others; party members of other lines throughout the country should be the models of the two cultural modernizations. In fact, all party members share the same essence that they should proceed from public interests and serve the public wholeheartedly. It is a pity that some members have ceased to be ambitious after joining the party. Some of them even cast away the spirit of "fearing neither hardship nor death" on the pretext that they are having a "conceptual reform." Such members have vilified the public image of Communist Party members and done harm to the party's prestige, so much so that people have begun to say that it is hard to get things done. Do those who claim themselves as Communist Party members know how Sheng Qishun joined the party? If yes, to what extent are they moved? As the new year has come, it is time to think that over.

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THE WIND OF THE TIMES BLOWS INTO GEDA LING--A REVIEW OF THE MEDIUM-LENGTH NOVEL 'INSIDE AND OUTSIDE THE MOUNTAINS'

Beijing RED FLAG in Chinese No 1, 1 Jan 86 p 48

[Article by Zhang Songkui [1728 2646 7608]]

[Text] In recent years, Ma Qiufen, a young female writer, has closely followed the thread of real life which changes with each passing day and has written quite a few articles which reflect new things and figures that have emerged under the situation of opening up to the outside world and of reforms. The medium-length novel "Inside and Outside the Mountains" is one of her most outstanding works.

The writer leads her readers to a secluded and isolated world by using her skilled, effective pen. The world here is simple and unsophisticated, deep and quiet, well off and peaceful. People who labored, lived and raised families for generations here are nurtured by the mountains. Their thoughts, preferences, and worries are firmly bound up with the mountains. In this way, the disposition, interests, and sense of morality of people in the mountain areas are formed. Mountain people have their own rules which also form invisible and insurmountable barriers. Both the visible and invisible mountains have completely cut off contact between people in mountain areas and those outside, and have also cut off any desire and thoughts of the people, particularly the women in the mountains, concerning the external world. Many years have passed by quietly in this way.

However, there finally comes a day when the peace maintained for generations is upset. Dafeng, like all women there, has also grown up in the bosom of the mountains. But when she casually leaves the mountains and sees with her own eyes the prosperity of small towns and the clothing and dress of the people outside the mountains and hears with her own ears things which she has never heard of before, she becomes ambitious and the big mountains can no longer restrain her. She goes out to temper herself in the great outside world. She pursues a modern life-style, she decides her marriage independently, engages in commercial activities to exchange commodities inside and outside the mountains and heroically goes alone to the deep mountains and old forests to be a lumberwoman. All these descriptions brim with the spirit of forging ahead and optimism and outstandingly display her earnest desire to change her present living conditions.

Huazhen provides a striking contrast to Dafeng. The big mountains have formed her strong physique and given her a rough disposition. She is honest, kind-hearted, stubborn, and conservative. From her point of view, the big mountains are precisely the god which dominates everything, the customs of people inside the mountains are religious disciplines which cannot be shaken. She deeply loves the mountains and all their local conditions and customs. Even though the way of life in the mountains has brought her quite a few sufferings, and though losing her husband in her youth and having to take care of a son who is an idiot owing to inbreeding, she never hates the big mountains nor has any idea of changing her life there. When Dafeng carries news of the modern life-style into the big mountains, Huazhen does her utmost to resist the information, acting as the guardian of the big mountains. She denounces Dafeng's rebellious behavior with fierce and malicious curses and rouses the mountain women with an old bong mountain call to form a bastion of iron in an attempt to resist the impact of the new life-style which is entirely different from that inside the mountains. But the social economic reform and the changes in people's life-style and modes of thinking and in their all-round spiritual and moral features which accompany the reform are, after all, a great trend independent of people's will. At last, attracted by the modern life-style, Huazhen herself also cuts off her old-fashioned hair worn in bun or coil and clips her hair with a shining hairpin. Does this not reveal that the age-old, closed-up, and stagnant life-style deep in the big mountains has already begun to undergo a heartening change?

Civilization inevitably prevails over ignorance, and will finally prevail over backwardness. The writer has noticed the general trend of this development in life, but she does not regard the development as a dogma or simplify it. She ponders. From the reality of life, she has realized that the development of new things is a quite long and complicated historical process, that new and old things are not only antagonistic to, but also unite with each other, and that under certain conditions, both things have their own reasons for existence and their development and changes are full of dialectical significance. Therefore, the dispositions of these three women--Dafeng, Huazhen, and Cuixian, reveal other aspects of their complexity. Dafeng is described as the first to have broken out of the mountains and begun to move into a bigger world. This is praiseworthy. However, after she walks out of the big mountains, she again finds herself pursuing the needs of her small modernized family. Her acts make people worry about her future. Huazhen loves old traditions, but she herself has the traditional virtues which people inside the mountains have passed on from generation to generation. Perhaps the writer's ideal is to look for a world in which modern civilization is mixed with traditional virtues. Therefore, with care and effort, she creates her final character Cuixian, and lets that girl who has wholeheartedly decided to go out of the big mountains and to raise the heavy curtain on the new world, come back to Huazhen just when she is about to leave the big mountains. Perhaps this precisely reflects the writer's meditation on the relations between social changes and ethics and also shows her perplexity at them. This is also precisely a problem which is universal in the new period of literary and artistic creation and should be conscientiously solved through the practice of literary and artistic creation.

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A USEFUL ATTEMPT AT EXPLORING THE IDEOLOGICAL AND THEORETICAL PROBLEMS IN  
REAL LIFE--A CRITIQUE OF 'THINKING OF REAL PROBLEMS'

Beijing RED FLAG in Chinese No 1, 1 Jan 86 inside back cover

[Article by Zhou Liaogang [0719 3598 0474]]

[Text] "Thinking of Real Problems," published by the Guangdong Higher Education Publishing House, is a new work which explores the ideological and theoretical problems in real life. It is suitable for the masses of the cadres, workers, staff members and, in particular, university students and youngsters. Guangdong Province has taken it as a supplementary teaching material for university political theory courses.

The youngsters in the 1980's have brought up many new ideological and theoretical problems which are worth identifying and discussing. One of the glorious duties of theoretical workers is to take Marxism as their viewpoint to meditate, analyze and study new problems and to help youngsters improve their cognition and tell right from wrong. This is also a main feature of the book.

Forming a correct outlook on life and world outlook has a great bearing on the healthy growth of the younger generation. Bearing this in mind, the authors try to figure out why man has to live and how he can achieve a meaningful life. Is "subjectively for myself and objectively for others" the most rational outlook on life in the socialist stage? Is Sartre's doctrine of life praiseworthy? What are the determining factors of the value of man? Can the new technological revolution resolve the basic contradictions of a capitalist society? How should we take China's current reform and open policy? How are we going to interpret the social contradictions between communist ideal and reality? The authors try to answer the above questions. The readers and, in particular, the youngsters will surely find this book useful and inspiring.

The authors start the discussion by adopting a light and personal tone. They do not try to be didactic. Nor do they pose themselves to be "the only people who know the truth." They try to show that they are of the same standing with the readers and analyze and study problems with the readers. What they disclose is reality and they are rational, passionate, and serious. They try to convince their readers through reason and move them through emotion. The

book is written by a group of authors of different styles. Their language is, however, colloquial, concise, fluent, and vivid. They have avoided the boredom which usually appears in theoretical essays.

The questions asked by the youngsters of this era cover a wide range. It is unrealistic for us to try to thoroughly resolve all the problems through the writing of one book or a few essays. At any rate, the authors have made a useful attempt at exploring some problems.

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